Call to Order. Ms. Rouse called the meeting to order and reminded Committee members of their duty to avoid conflicts of interest and appearances of conflicts of interest under the State Government Ethics Act, in accordance with Chapter 138A of the North Carolina General Statutes, and advised the Committee members to notify her immediately if anyone should become aware of a conflict of interest or the appearance of a conflict of interest during the meeting. No conflicts of interest were reported.

Ms. Rouse noted that this special called meeting of the Facilities and Physical Properties Committee was intended as an opportunity for discussion only, and that two items on the agenda will require a vote at the Committee’s December 4, 2014, regularly scheduled meeting.

University Debt Policy. Ms. Hardin presented an overview of the University’s debt policy. Ms. Hardin stated that the policy establishes guidelines to ensure that existing and proposed debt issuances are consistent with financial resources so that the University maintains optimal leverage,
a strong financial profile, and a strategically optimal credit rating. Ms. Hardin noted that the Chancellor has the authority to approve the debt policy.

The Committee discussed debt affordability and capacity, tax-exempt debt, debt management, and fixed- and variable-rate debt.

**Housing Master Plan.** Wilson Jones, a consultant with Brailsford & Dunlavey, discussed the original Housing Master Plan and the updated plan, including the impact of the current housing market.

Mr. Jones stated that Phase XIV housing will serve Levine Scholars and University Honors Program students and will include some administrative space. Mr. Wilson noted that Phase XV apartments are on hold indefinitely. Mr. Jones stated that the high-rise dormitories and towers are in good condition, but that the building exteriors are not as visually appealing as newer housing. Mr. Jones noted that renovation costs have increased since the initial Housing Master Plan was created.

Mr. Jones discussed other UNC Charlotte housing, noting that Scott Hall includes administrative offices for Housing and Residence Life staff; Moore Hall, a freshman residence, is in the best physical condition of the University’s older housing; and Cedar Hall will be repurposed, possibly for library use. Ms. Rouse asked about the positive and negative aspects of new housing compared to renovated housing. Mr. Jones stated that space in renovated buildings used for housing presents an immediate opportunity for revenue.

Mr. Jones stated that, under the updated Housing Master Plan, other high-rise renovation projects will be modified to lengthen the period of time between renovations, reorder the renovation sequencing, simplify the scope of work when possible, and take select beds offline to mitigate bed swing space.

Mr. Hauser inquired about any losses, financial or otherwise, that the University may incur if some projects are delayed and others are eliminated, and Ms. Rouse asked whether on-campus resident retention issues may occur if improvements to the high-rise buildings are delayed. Business Affairs staff responded that no negative impact, including to student recruitment, retention, or graduation rates, is anticipated. Mr. Jones also stated that a decade of good maintenance management for Scott, Moore, and Sanford Halls has allowed for deferred renovation of the high-rises.

**Resolution of the Board of Trustees of the University of North Carolina Authorizing Agreements Relating to the Refinancing and Refunding of Private Housing Facilities on the Campus of the University of North Carolina at Charlotte.** Based on the latest projection of costs with current tax-exempt interest rates, refinancing the certificate of participation on the Greek Village Housing units will result in an 8 percent annual net present-value savings. Business Affairs staff have recommended approval of the resolution to refund this private housing facility on the UNC Charlotte campus; the resolution will be presented to the Board of Trustees for approval at its December 4, 2014, meeting.
Request to Issue Debt for Proposed Financing. Ms. Hardin stated that the Phase XIV residence hall will be located in the South Village area of campus and will house freshmen, the Honors Program, and the Levine Scholars Program and will include some administrative space for those programs.

Ms. Hardin noted that there is no capacity to fund capital projects through appropriations. Currently planned University projects will be funded through Campus Infrastructure Development (CID) fees, and that the second phase of CID projects, including Burson, Colvard, information technology network capacity, and wi-fi improvements, primarily support academics. Ms. Hardin stated that no other campus collects CID fees. The Committee discussed the lack of recent State appropriations, a situation that has required UNC Charlotte to charge higher student fees to fund infrastructure needs.

Adjourn. There being no further business before the Committee, Ms. Rouse adjourned the meeting.

Submitted:  
________________________________________
Elizabeth A. Hardin                  Date
Vice Chancellor for Business Affairs

Approved:  
________________________________________
Mary Ann Rouse                  Date
Chair
Facilities and Physical Properties Committee