The meeting was called to order at 4:00 p.m.

There were present:

Committee Members:
Hon. Freida D. Foster, Chair
Hon. Wellington Z. Chen
Hon. Rita DiMartino
Hon. Charles A. Shorter
Prof. Jay Weiser, faculty member
Mr. Donavan Borington, student member

Ex-officio:
Hon. Benno Schmidt
Hon. Philip Berry

Trustee Observers:
Hon. Terrence Martell
Hon. Joseph Awadjie

Trustee Staff:
Senior Vice Chancellor and Secretary of the Board Jay Hershenson
General Counsel and Senior Vice Chancellor Frederick P. Schaffer
Deputy to the Secretary Hourig Messerlian
Ms. Towanda Lewis
Mr. Anthony Vargas

The agenda items were considered and acted upon in the following order:

I. ACTION ITEMS:

A. APPROVAL OF THE MINUTES OF THE MEETING OF NOVEMBER 3, 2014. The minutes were unanimously approved as submitted.

B. POLICY CALENDAR

1. Baruch College – New Building Automation System for Administration Building. Executive Director Robert Lemieux asked for the Committee’s approval to request the City University Construction Fund (CUCF) to execute a purchase order with The Trane Company for design and installation of a new Building Automation System in the Administration Building at Baruch College, under the existing New York State Office of General Services contract. The total cost of all such purchases shall be chargeable to the State Capital Construction Fund, Project No. 3238709999 for an amount not to exceed $900,000. The contract shall be subject to approval as to form by the University Office of General Counsel.
2. **Brooklyn College – Campus-Wide Fire Alarm and Security System.** Executive Director Lemieux asked for the Committee’s approval to request CUCF to execute a contract with the firm of Johnson Controls, Inc., to purchase construction and equipment installation to complete the Phase 1 portion of a multi-phase project to upgrade the entire campus-wide fire alarm and security systems at Brooklyn College, under existing New York State Office of General Services Contract No. PT63103. The total cost of all such purchases shall be chargeable to the State Capital Construction Fund, Project No. 2875209999 for the amount not to exceed $15 million. The contract shall be subject to approval as to form by the University Office of General Counsel.

In response to a question from Chairperson Benno Schmidt, Executive Director Lemieux stated that the $15 million is for Phase 1 of this project—upgrades for all the buildings on the Brooklyn College campus, and to establish a new Command Center in Ingersoll Hall as the current one is under a staircase in the Whitman Building.

3. **Hostos Community College – Allied Health and Natural Sciences Building Complex.** Executive Director Lemieux asked for the Committee’s approval to request CUCF to execute a consultant contract with Facility Leaders in Architectural/Engineering Design P.C. (FLAD) for the design of the Hostos Community College Allied Health and Natural Sciences Building Complex. The design contract is being awarded to the firm ranked highest during the interview process of firms expressing interest in the Request for Qualifications (RFQ) developed by the CUNY Central Office of Design, Construction and Management. The contract shall be chargeable to CUCF for an amount not to exceed $10 million. The contract shall be subject to approval as to form by the University Office of General Counsel.

In response to a question from Vice Chairperson Philip Berry, Executive Director Lemieux stated that the anticipated timeline for this project will be about sixteen months; however, receiving funding for this construction will be a major hurdle so this project will not go to construction documents until there are funds to do the construction.

In response to a question from Trustee Charles Shorter, Executive Director Lemieux stated that the total estimated cost for the project is about $240 million.

In response to a question from Committee Chair Freida Foster, Executive Director Lemieux stated that Allied Health is one of the largest programs in the field of science so the College intends to build a facility that positions the program in one location with much better efficiencies.

In response to a question from Trustee Shorter, Executive Director Lemieux stated that this facility will be a new building, on the site of a CUNY-owned building, recommended by the Master Plan.

In response to another question from Trustee Shorter, Executive Director Lemieux stated that FLAD is an architectural engineering firm that originated from a Midwestern Wisconsin firm that was selected by this Committee. They design a lot of science/nursing type buildings, and were the firm that did the primary design with the architecture firm, Kohn Pederson Fox (KPF), for the two new buildings at City College. He added that in regards to the Minority and Women-owned Business Enterprise (MWBE), FLAD will do a consortium. They are starting to identify their subcontractors so that they can attain the goals requested.
In response to a question from Prof. Jay Weiser, Executive Director Lemieux stated that FLAD will not do the construction; they will only do the design of the project.

In response to a question from Vice Chairperson Berry, Director Lemieux stated that Hostos Community College is a set-aside campus that has very high goals, so in terms of the MWBE, FLAD will be making proactive efforts regarding that agreement.

In response to a question from Trustee Shorter, Director Lemieux stated that as per the new state goals the targets in the contract are going to be thirty percent.

In response to a question from Vice Chairperson Berry, Director Lemieux stated that the Office of Facilities Planning, Construction and Management (OFPCM) will provide a more detailed report of the MWBE participation requirement to this Committee.

4. Hostos Community College – 500 Grand Concourse Renovation of the 4th Floor, Sub-Cellar and Installation of Roof-Top Emergency Generator. Executive Director Lemieux asked for the Committee’s approval to request acceptance of the design and renovation of the 4th floor, sub-cellar and installation of the roof-top Emergency Generator at Hostos Community College Concourse, as prepared by Goshow Architects LLP, who was selected through the Dormitory Authority of New York (DASNY) Request for Proposal Process.

In response to a question from Chairperson Schmidt, Director Lemieux stated that there is no flood risk in the sub-cellar at Hostos Community College as to climate conditions.

5. York College – Campus-Wide Design and Installation of New Air Conditioning Equipment in Information Technology Closets. Executive Director Lemieux asked for the Committee’s approval to request CUCF to execute a purchase order on behalf of York College, with Siemens Industry, Inc., for services to design and install new air conditioning equipment in thirty-eight IT closets throughout the College campus under the existing New York State Office of General Services contract. The total cost of all such purchases shall be chargeable to the State Capital Construction Fund, Project No. 3237009999 for an amount not to exceed $1 million.

Following discussion, items I.B.1 and I.B.5 were approved for submission to the Board.

II. INFORMATION ITEMS:

• Brief Update – StartUp NY

***PRESENTATION BY INTERIM DIRECTOR OF PUBLIC PRIVATE PARTNERSHIPS DANA SUNSHINE***

Chancellor James Milliken stated that on November 13, 2014, this Committee approved the designations of the five lead campuses, one on each borough, for the StartUp NY program. They are proceeding at different levels of velocity, but this is a tremendous opportunity, and each of the five lead campuses planned exciting ways to attract and grow start-up businesses in connection with CUNY activities. The most exciting thing in addition to new businesses in these areas of New York—where new business is much needed—is the nexus with CUNY campuses where the faculty, the students, the curriculum and a pathway to job opportunities
are increased. This program will demonstrate the capacity of CUNY to be an active partner with the state in regional economic development.

In response to a question from Chairperson Schmidt, Director Sunshine stated that the businesses have to be profitable to take advantage of the tax incentives and the tax advantages.

In response to a question from Prof. Weiser, Director Sunshine stated that the basic timeline for a business to join this program is between four and six months.

In response to a question from Chairperson Schmidt, Director Sunshine stated that four of the lead campuses—City College, College of Staten Island, York College, and Bronx Community College—have completed their own campus plans. Medgar Evers College is a few weeks away from submitting their plan as well.

In response to another question from Chairperson Schmidt, Director Sunshine stated that each of the campus plans have gone to Empire State Development (ESD) for approval. It is not necessarily brought to the Board for approval. He added that Howard Zemsky is the head of ESD.

In response to a question from Trustee Shorter, Director Sunshine stated that a campus plan for a start-up program is submitted to the municipality, which in this case is New York City.

In response to a question from Trustee Wellington Chen, Director Sunshine stated that LDC is the acronym for Local Development Corporation.

Prof. Weiser stated that this Committee should be notified of any potential changes to CUNY's real estate.

In response to a question from Chairperson Schmidt, General Counsel and Senior Vice Chancellor Frederick Schaffer stated that it was the University's intent to bring to this Committee and then to the full Board the selection of individual companies, and present along with it what the plan was pursuant to which that company was selected. In the case of the first selection process, the first company will be provided to the Board as a table item at its March 2nd Board of Trustees meeting.

In response to a question from Trustee Shorter, Director Sunshine stated that the five lead campuses do not necessarily have the obligation to meet specific expectations. The business has the responsibility to meet the specific expectations that are outlined in the business' application. If by chance they do not at any time meet those obligations the University can report it to ESD, and as a result the business will lose their tax incentives.

Chancellor Milliken stated that in an ideal situation a local economic development entity would probably own or lease space that would be made available to a startup, not the college so CUNY would not have risk involved.

In response to a question from Trustee Shorter, Director Sunshine stated that the business would bear the burden of the tax exemption on the real estate taxes.
In response to a question from Chairperson Schmidt, Director Sunshine stated that it is the responsibility of the five lead campuses to monitor whether the business is following through on specific expectations.

In response to a question from Trustee Shorter, Director Sunshine stated that Leslie Whatley runs the StartUp NY program for ESD.

In response to a question from Chairperson Schmidt, General Counsel and Senior Vice Chancellor Schaffer stated that the five lead campuses will designate someone to monitor their expectations depending on the nature of the obligation that the business is undertaking.

Trustee Shorter stated that in regards to program steps, the whole notion of due diligence and monitoring and follow-up should be included, since this program is focused on five great campuses in the CUNY system.

In response to a question from Mr. Donavan Borington, Director Sunshine stated that other than CUNY’s participation in this program, NYU has applied for the 150,000 extra square feet of space that are available, but they have not identified a specific business or space quite yet.

Chancellor Milliken stated that the only unresolved opportunity that the University has at this point is for the five designated campuses to enter into collaborations or partnerships with other institutions that may bring something complimentary to the consortium that would like to participate under the unlimited grant of space.

In response to a question from Mr. Borington, Chancellor Milliken stated that NYU, or any private institution, has the opportunity to compete for 150,000 square feet in a particular borough independent of CUNY. In fact, other CUNY campuses can compete for some of that same 150,000 square feet. It is an unlimited availability to the five designated campuses.

In response to a question from Prof. Weiser, Chancellor Milliken stated that CUNY does not have a lot of space that would qualify as unused to use for this purpose. This is a space that is off-campus and would be provided by another intermediary, so it is not on CUNY campus space. It is conceivable that it could be, but that is not what the University is looking at now, partly because of the availability of space.

Chairperson Schmidt stated that he would like to ensure that monitoring is robust both at the campus level and in terms of reviewing the economic development benefits that the business provides.

Prof. Weiser stated that this program has a lot of reputational risk.

In response to a question from Trustee Wellington Chen, Director Sunshine stated that SUNY has accepted quite a number of businesses, having quite a large amount of vacant space to provide to the program. He added that SUNY’s monitoring depends on the business and the school.

Chairperson Schmidt stated that any business that partners with CUNY should receive an appropriate level of monitoring.

Trustee Shorter stated that this is a great program with tremendous opportunity; however, it is fraught with all kinds of issues.
Chancellor Milliken stated that the state is ultimately monitoring economic performance and also tax abatements. The University's role is primarily the nexus with the economic enterprise. CUNY has to be vigilant to ensure that the state is participating for the growth of jobs and businesses, and perhaps their monitoring obligation. He added that this is a complex program, but it is an exciting opportunity.

- **Outline of Future FCPM Presentations to the CFPM Standing Committee**

Executive Director Lemieux stated that Interim Vice Chancellor Judy Bergtraum was unable to attend this CFPM meeting and would prefer that this Committee discuss the outline of future FCPM presentations plans when she is present; however, he would go briefly through what the outline would entail. First, for facilities planning, the master plans would be discussed to determine space needs, including current and projected needs, based on academic offerings and maintaining the space inventory, opportunities and constraints associated with the planning, and renovation of new buildings or leasing space. The second one would be the financing of CUNY’s capital program, including the funding from New York State, New York City and private funding. As for capital eligibility of projects, CUCF and DASNY relationships would be looked into because they do a lot of the University’s collaborative construction. Then, on public/private partnerships, FCPM will talk about evaluating CUNY’s assets and coordinating development, which involves planning, predevelopment, the design and financing of the project, and the actual construction. Finally, FCPM will talk about design, construction and management, which the University has been getting state funding for about seven years now.

Committee Chair Foster stated that she has already discussed with Interim Vice Chancellor Bergtraum the outline of future plans and looks forward to having the same discussion with this Committee when the Interim Vice Chancellor is present, in more detail.

Prof. Weiser stated that if the University is looking at leasing or purchases this Committee needs to be reviewing comparable transactions as it helps CUNY to organize more.

The meeting was adjourned at 4:49 p.m.