

**MINUTES OF THE EXECUTIVE COMMITTEE MEETING OF THE
BOARD OF HIGHER EDUCATION OF THE CITY OF NEW YORK**

HELD

JANUARY 9, 1973

**AT THE BOARD HEADQUARTERS BUILDING
535 EAST 80 STREET—BOROUGH OF MANHATTAN**

The Chairman called the meeting to order at 4:20 p.m.

There were present:

**Luis Quero-Chiesa, Chairman
Jean-Louis d'Heilly**

**Minneola P. Ingersoll
Robert Ross Johnson**

**N. Michael Carfora, Secretary of the Board
Arthur H. Kahn, General Counsel**

**Chancellor Robert J. Kibbee
Deputy Chancellor Seymour C. Hyman
Vice-Chancellor J. Joseph Meng**

**Professor Nathan Weiner
Mr. Alan Shark**

The absence of Mr. Berman, Mr. Poses and Ms. Thacher was excused.

Upon motions duly made, seconded and carried, the following resolutions were adopted or action was taken as noted: (Cal. Nos. 1 through 3)

NO. 1. STUDENT UNION BUILDING—QUEENS COLLEGE STUDENT SERVICES CORPORATION: (a) WHEREAS, On July 27, 1970, Calendar No. 17(a), the Executive Committee of the Board of Higher Education adopted a resolution approving the plans and specifications for the construction of the Student Union Building at an estimated cost of \$9,500,000 prepared by Frederick P. Wiedersum, Architect, dated October 24, 1967 as thereafter amended July 1, 1970 and approving and consenting to the execution of a mortgage not exceeding \$7,200,000 by Queens College Student Services Corporation to secure loans in that amount to finance the costs of construction and other incidental costs of which not more than \$3,300,000 was to be loaned to it by United States Department of Housing and Urban Development, bearing interest at the rate of 3% per annum, and not more than \$3,900,000 was to be loaned to it by purchasers of bonds issued by Queens College Student Services Corporation, which bonds were to bear interest at 7 1/2% per annum, and further authorizing the execution of the Agreement dated July 28, 1970; and

WHEREAS, The Corporation obtained an additional loan in the amount of \$400,000 from the Federal Government at the rate of 3% per annum by issuance of parity bonds secured by a supplementary trust indenture, (thereby making the total \$3,700,000 from the Federal Government) in addition to \$3,900,000 obtained from the Corporation's bond issue, to finance the Student Union Building's present estimated cost of \$12,393,900; and

WHEREAS, The Corporation now requires a further loan in the amount of not more than \$1,000,000 from the Federal Government by executing bonds secured by subsidiary mortgage (thereby making the total \$4,700,000 from the Federal Government, in addition to \$3,900,000 obtained from the Corporation's private bond issue, to finance the Student Union Building's present estimated cost of \$12,393,900; now, therefore, be it

RESOLVED, That the Board of Higher Education approve and consent to the execution of a Supplementary Agreement with the Queens College Student Services Corporation for the increase of the amount of loans and mortgage securing same to a sum not exceeding \$8,600,000 (\$4,700,000 Federal, \$3,900,000 private) by Queens College Student Services Corporation for completion of the Student Union Building; and be it further

RESOLVED, That the Board of Estimate be requested to authorize additional Bonds and a Subsidiary Trust Agreement not to exceed \$1,000,000 by the Queens College Student Services Corporation and that the Board of Estimate further subordinate the reversionary interest of the City of New York to the said additional Bonds and Supplemental Trust Indenture.

EXPLANATION: Due to income from student fees and investment income during construction not meeting the projected and necessary cash flow, an increase in loans from United States Department of Housing and Urban Development has been requested from \$3,700,000 to \$4,700,000 at an interest rate of 3% per annum. No increase of the \$3,900,000 bonds from private lenders is anticipated. The Subsidiary Trust Agreement is necessary to secure the increase of the total loan from \$7,600,000 to \$8,600,000. This loan was previously authorized by resolution of June 19, 1972, Cal. No. 14, but only \$400,000 was borrowed from the Federal Government at the time, since the full amount required for completion of the building was not needed immediately, and to avoid unnecessary interest expense on the larger sum. However, the balance of \$1,000,000 is now essential for completion of the Student Union Building and is available from Federal sources.

(b) WHEREAS, On July 27, 1970, Calendar No. 17(a), the Executive Committee of the Board of Higher Education adopted a resolution approving the plans and specifications for the construction of the Student Union Building at an estimated cost of \$9,500,000 prepared by Frederick P. Wiedersum, Architect, dated October 24, 1967 as thereafter amended July 1, 1970 and approving and consenting to the execution of a mortgage not exceeding \$7,200,000 by Queens College Student Services Corporation to secure loans in that amount to finance the costs of construction and other incidental costs of which not more than \$3,300,000 was to be loaned to it by United States Department of Housing and Urban Development, bearing interest at the rate of 3% per annum, and not more than \$3,900,000 was to be loaned to it by purchasers of bonds issued by Queens College Student Services Corporation, which bonds were to bear interest at 7 1/2% per annum, and further authorizing the execution of the Agreement dated July 28, 1970; and

WHEREAS, The Corporation has arranged to obtain additional loans in the amount of not more than [~~\$1,400,000~~] **\$400,000** from the Federal Government (thereby making the total \$3,700,000 from the Federal Government) in addition to \$3,900,000 obtained from the Corporation's bond issue, to finance the Student Union Building's present estimated cost of \$12,393,900; now, therefore, be it

RESOLVED, That the resolution of June 19, 1971, Calendar No. 14, be amended as follows:

RESOLVED, That the Board of Higher Education approve and consent to the execution of an Amendatory Agreement with the Queens College Student Services Corporation for the increase of the amount of loans and mortgage securing same to a sum not exceeding [~~\$8,600,000~~] **\$7,600,000** ([~~\$4,700,000~~] **\$3,700,000** Federal, \$3,900,000 private) by Queens College Student Services Corporation toward the completion of the Student Union Building; and it is further

RESOLVED, That the Board of Estimate be requested to authorize Additional Parity Bonds and a Supplemental Trust Agreement not to exceed [~~\$1,400,000~~] **\$400,000** by the Queens College Student Services Corporation and that the Board of Estimate further subordinate the reversionary interest of the City of New York to the said Additional Parity Bonds and Supplemental Trust Indenture.

EXPLANATION: Due to income from student fees and investment income during construction not meeting the projected and necessary cash flow, an increase in loans from United States Department of Housing and Urban Development has been requested from \$3,300,000 to \$3,700,000 at an interest rate of 3% per annum. No increase of the \$3,900,000 bonds from private lenders is anticipated. The Supplemental Trust Agreement is necessary to secure the increase of the total loan from \$7,200,000 to \$7,600,000. By resolution of this Board on June 19, 1972, Calendar No. 14, such additional loan and Supplementary Agreement were authorized in the total sum of \$1,400,000. However, only this loan of \$400,000 was required at the time, and such loan and supplemental mortgage were made in the reduced sum of \$400,000. This resolution is required to amend the prior resolution of June 19, 1972, accordingly.

NOTE: Matter in brackets to be deleted; matter in bold type is new.

NO. 2. EDUCATIONAL TV PROJECT - BROOKLYN COLLEGE: RESOLVED, That Calendar No. 3 as adopted by the Board of Higher Education at the Executive Committee meeting held July 17, 1972 be amended to read as follows:

RESOLVED, That Brooklyn College be authorized to continue its educational TV project with the Central Brooklyn Model Cities Administration in accordance with the terms of the contract, **to be entered into between the Model Cities Administration of the City of New York, the Board of Higher Education, the Research Foundation of The City University of New York and Brooklyn College**, from July 1, 1972 through February 15, 1973 [March 31, 1973], the form of contract to be approved by the Counsel to the Board.

NOTE: Matter in brackets to be deleted; matter in bold type is new.

EXPLANATION: The contract that was approved by the Board on July 17, 1972, in reliance in part, on a statement of intent to enter into it signed by Horace L. Morancie, of the Central Brooklyn Model Cities Administration, was forwarded to the Model Cities Administration for submission to the New York City Board of Estimate. Prior to that submission, the Model Cities Administration drafted a new contract without consultation, and then submitted it to the New York City Board of Estimate, which further modified the budget and termination date by resolution adopted December 21, 1972. In reliance on the terms of the aborted contract and the statement of intent to enter into it signed by Horace L. Morancie, the Model Cities Administration was permitted to use the facilities of Brooklyn College and monies were advanced by the Research Foundation.

This resolution is necessary to assure that the rights of Brooklyn College and the Research Foundation are protected.

NO. 3. UNIVERSITY REPORT: The Chancellor reported on the following:

- (a) New York University acquisition.
- (b) State University of New York Task Force Report re the operation of community colleges.
- (c) Testimony before the Keppel Committee.
- (d) Collective bargaining.
- (e) Meeting with presidents of private colleges located in Brooklyn re the "Voucher Plan" for students.

Upon motion duly made, seconded and carried, the meeting adjourned at 5:00 p.m.

N. MICHAEL CARFORA
Secretary of the Board