Minutes
UWF Board of Trustees Conference Call
February 19, 2013

Chair Lewis Bear, Jr. called the meeting to order at 2:03 p.m. with the following trustees attending and/or participating by conference call: Lewis Bear, Jr., Dave Cleveland*, Dr. Pam Dana*, Robert Jones*, Suzanne Lewis*, Collier Merrill*, Cora Merritt*, Susan O’Connor*, Mort O’Sullivan*, Jay Patel, Dr. Chris Pomory, Bentina Terry* and Garrett Walton*

Others attending/participating: Dr. Judy Bense, , Dr. Martha Saunders, Dr. Kim Brown, Dr. Kyle Marrero, Dr. Kevin Bailey, Dr. Jim Hurd, Dr. Ruth Davison, Pat Lott, Dave O’Brien, Dr. Jim Barnett, Dr. Susan Stephenson* and Faye Bowers.

*Conference Call

Chair Bear said there would be one item on the agenda today to discuss the East Campus Hotel/Conference Center & Restaurants. He then called on Dr. Jim Barnett who provided an overview of the 7 major points.

1. Development Overview – East Campus, 18 acre site bordering Hwy 90/Campus Drive
   - 300 beds of student housing
   - 100 bed hotel & conference center (50 beds student housing first three years; with full 100 beds for a BRAND hotel beginning year four)
   - 4 restaurants businesses – decentralized

   Concept – Urban-street feel between housing & conference center similar to Palafox St. 25K cars daily on Hwy 90 & Campus Drive

2. Memo of Understanding – BEI BOD approved on January 29 and it was discussed by the UWF BOT Finance and Facilities Committee

3. Now - Affiliation Agreement was approved by BEI BOD on the afternoon of February 18, 2013 and by the BOT Finance and Facilities committee.

4. Next Steps
   - Vieste will submit the Affiliation Agreement to their underwriter for financing
   - The following documents will be executed for BEI:
     o Ground Lease with Vieste
     o Property Management Agreement with Vieste
       a. Hotel Management – BEI will solicit a private sector firm thru public solicitation
       b. Student Housing – BEI will execute an agreement with UWF Housing
c. **Right of Access Agreement** between Compass/Chartwells, Vieste and BEI
d. **License and Use Agreement** – utilize facilities as priority.
e. **Recapture Agreement** – compensate Vieste for infrastructure that may be used for other University purposes.

**June Board of Trustees Meeting** – will recommend amendment to the Master Lease of 141 acres on East Campus to include a parking lot of approximately 7 acres south of the Campus Drive 4 – lane.

5. **Business Plan** - Franchise Model of benefiting from the UWF brand and receiving a percentage of gross revenue/top line salaries paid to BEI as follows:

   **Hotel** - 11 percent of gross revenue for a Ground Lease and Management Fee, with 7 percent paid to BEI above the line and prior to Vieste paying their Senior Debt; and 4 percent below the line after Senior Debt;

   **Housing** – 10 percent of gross revenue for a Ground Lease and Management Fee, with 7 percent paid to BEI above the line and prior to Vieste paying their Senior Debt and 3 percent below the line after Senior Debt.

6. **Stress Testing the Business Plan**
   Staff reviewed the assumptions provided by Vieste
   **Result** – Staff estimates that BEI will have more than sufficient funds to cover expenses and still have a minimum return under stressed conditions. Year 1 stressed returns of $54K
   - Occupancy percentages
   - Hotel bed rates
   - Senior financing interest rates,
   - Management percentage,
   - Reserve for renewal and repair requirement, and
   - The Debt coverage ratios

7. **Due Diligence Information** – Vieste LLC and Prism

Dr. Judy Bense confirmed that the UWF BEI Board of Directors adopted unanimously (with one member absent) the Affiliation Agreement on February 18, 2013.

Trustee O’Sullivan provided a recommendation, from the Finance & Facilities Conference Call which occurred on February 18, 2013, to approve the privatized development for student
housing and hotel/conference center between BEI and Vieste Development LLC as described in the Affiliation Agreement and Exhibits.
Motion: Trustee Terry
Seconded: Trustee O’Sullivan
Motion passed unanimously.

Chair Bear requested that the February 18, 2013 Finance & Facilities Committee Conference Call meeting comments and supporting documentation to be appended in these minutes.

Minutes 2.18.13 Finance & Facilities Committee
http://uwf.edu/trustees/Mar_19/13/FnF021813MN.pdf

Agenda and Supporting Documentation (80 pages)
http://uwf.edu/trustees/Feb19_13/AG2182013PL.pdf

With no further business, Chair Bear adjourned the meeting at 2:23 p.m.

Respectfully submitted,
Faye H. Bowers, recording secretary