



Public Meeting of the Property and Facilities Committee - September 24, 2020

Agenda

-
1. Welcome and Approval of the Minutes Varischetti
 - A. Public Meeting of June 25, 2020 - Page 3

 2. Review of Proposed Project Contribution DeJong
 - A. Community Engagement Center in the Hill – New Granada Theater - Page 7

 3. Review of Proposed Lease DeJong
 - A. Bridgeside Point One Lease Renewal – School of Health and Rehabilitation Sciences - Page 8

 4. New Business/Adjournment Varischetti

**MINUTES OF THE PUBLIC MEETING
OF THE PROPERTY AND FACILITIES COMMITTEE
OF THE BOARD OF TRUSTEES
OF THE UNIVERSITY OF PITTSBURGH**

June 25, 2020

A public meeting of the Property and Facilities Committee of the Board of Trustees was held on Thursday, June 25, 2020, at 9:20 a.m. Due to governmental restrictions in place due to the COVID-19 pandemic, the meeting was held remotely. Property and Facilities Committee members in attendance were John A. Barbour (Committee Chairperson), Robert O. Agbede, SaLisa Berrien, Eva Tansky Blum (Chairperson of the Board of Trustees), the Honorable Jay Costa, the Honorable D. Michael Fisher, J. Roger Glunt, Dawne S. Hickton, Sy Holzer, David J. Morehouse, John H. Pelusi Jr., and Peter C. Varischetti (Committee Vice Chairperson). In attendance as non-voting representatives to the Committee were Peter Adams (Staff Representative), M. Kathleen Kelly (Faculty Representative), Deborah L. Miller (Faculty Representative), Bryant J Salter (Community Representative), Marcus Gaines-Cherry (Student Representative), and Caroline Unger (Student Representative). University Officers and the Committee Liaison in attendance were David N. DeJong (Acting Committee Liaison), Kathy W. Humphrey (Secretary of the Board of Trustees), Paul Lawrence, Rob A. Rutenbar, Narahari Sastry, and Geovette Washington. Staff in attendance were Scott Bernotas, Jodi Cardone, Jaime Cerilli, Judith DeLeo, Julie LaBar, Daniel Marcinko, Mary Beth McGrew, Amy E. Service, Matthew Sterne, Kevin Washo, and Laura Zullo.

Welcome. Committee Chairperson John A. Barbour convened the public meeting of the Property and Facilities Committee. He announced that the meeting had been duly advertised as a public meeting in accordance with the Sunshine Act and was, therefore, open to the public as observers. A quorum of members of the Property and Facilities Committee was present for the transaction of business.

Approval of Minutes. On motion duly made and seconded, the minutes of the February 27, 2020 Public Meeting of the Property and Facilities Committee were approved.

Review of Proposed Property Disposition and Leases. Mr. Barbour introduced David N. DeJong, Acting Senior Vice Chancellor for Business and Operations, who presented the following property disposition and leases for approval by the Committee:

1. **Resolution Approving the Sale of UPMC Presbyterian D Wing to UPMC.** The University owns the D Wing property of UPMC Presbyterian Hospital and has leased this space to UPMC since 1990. The University proposes to sell the D Wing, as well as a nearby L-shaped parcel of land to UPMC. The D Wing consists of a 21,977 square foot parcel of land including an 85,295 square foot, 13-story wing of UPMC Presbyterian Hospital. The nearby L-shaped parcel is a narrow, 13,617 square foot parcel of land located along Victoria Street and adjacent to the University's Lothrop Residence Hall. The proposed combined sale price for the two parcels and associated improvements and air rights is \$18,740,000, which was validated by an independent appraisal firm and deemed fair and reasonable by the University.

Upon motion duly made and seconded, the Committee approved the Resolution Approving the Sale of UPMC Presbyterian D Wing to UPMC. A copy of the Resolution is included as page 3 of these minutes.

2. **Resolution Approving Leases for Supplemental Student Housing for Academic Year 2021.** In response to the COVID-19 pandemic and in accordance with associated guidelines from the Commonwealth of Pennsylvania and the U.S. Centers for Disease Control and Prevention, the University intends to implement certain de-densification protocols in its facilities for the 2021 Academic Year. Such de-densification protocols will reduce available capacity in existing University-owned student housing facilities. To provide supplemental student housing capacity, the University desires to occupy blocks of rooms in multiple hotel properties in or near the Oakland Campus. The administration is requesting authorization to finalize and execute agreements for supplemental housing at an estimated total cost of approximately \$22,000,000.

Upon motion duly made and seconded, the Committee approved the Resolution Approving the Leases for Supplemental Student Housing for Academic Year 2021. A copy of the Resolution is included as page 4 of these minutes.

Adjournment. There being no further discussion, Committee Chairperson Barbour adjourned the meeting.



David N. DeJong, Acting Senior Vice Chancellor
for Business and Operations

The foregoing minutes were reviewed and approved
by the Property and Facilities Committee on
_____, 2020.

Amy E. Service, Associate Secretary of the Board of
Trustees

**RESOLUTION OF THE
PROPERTY AND FACILITIES COMMITTEE
APPROVING THE SALE OF
UPMC PRESBYTERIAN D WING TO UPMC**

WHEREAS, the Board of Trustees has delegated authority and responsibility to the Property and Facilities Committee to review and approve: (i) acquisitions or dispositions, in whole or in part, of real property; (ii) lease arrangements; and (iii) new and/or renovation construction projects undertaken by the University or entities under its control; and

WHEREAS, The University of Pittsburgh currently owns the “D Wing” property of UPMC Presbyterian Hospital located at Desoto Street (Lot/Block 28-B-215 and 28-B-215-1) and has leased the space to UPMC since 1990; and

WHEREAS, UPMC desires to purchase the D Wing, consisting of a 21,977 square foot parcel of land, which includes an 85,295 square foot, 13-story wing of UPMC Presbyterian Hospital; as well as a nearby 13,617 square foot, L-shaped parcel of land located at Lothrop Street (Lot/Block 28-B-300), which is also owned by the University; and

WHEREAS, the University Administration has reviewed the value of the property and has determined that the sale price for the property is fair and reasonable and recommends that the Property and Facilities Committee approve the sale of the property to UPMC; now therefore be it

RESOLVED, that the Property and Facilities Committee hereby approves the sale of the D Wing property at a sale price of \$17,500,000, and the L-shaped parcel at a sale price of \$1,240,000, subject to completion of any final due diligence and the preparation and execution of a definitive sales and purchase agreement with such terms and conditions as determined to be satisfactory to the Senior Vice Chancellor for Business and Operations in consultation with Senior Vice Chancellor and Chief Legal Officer; and be it further

RESOLVED, that the proper officers of the University shall be and hereby are authorized to execute and deliver in the name and on behalf of the University any and all documents necessary in order to effect the sale of the property as contemplated herein; and be it further

RESOLVED, that the Property and Facilities Committee shall inform the Budget Committee of this action.

**RESOLUTION OF THE
PROPERTY AND FACILITIES COMMITTEE
APPROVING AGREEMENTS FOR SUPPLEMENTAL STUDENT HOUSING
ACADEMIC YEAR 2021**

WHEREAS, the Board of Trustees has delegated authority and responsibility to the Property and Facilities Committee to review and approve (i) acquisitions or dispositions, in whole or in part, of real property, (ii) lease arrangements, and (iii) new and/or renovation construction projects undertaken by the University or entities under its control; and

WHEREAS, in response to the COVID-19 pandemic and in accordance with associated guidelines from the Commonwealth of Pennsylvania and the U.S. Centers for Disease Control and Prevention, the University of Pittsburgh intends to implement certain de-densification protocols in its facilities for the 2021 Academic Year; and

WHEREAS, such de-densification protocols will reduce available capacity in existing University-owned student housing facilities; and

WHEREAS, the University desires to occupy rooms in multiple hotel properties in or near the Oakland campus to provide supplemental student housing for Academic Year 2021, at an estimated total cost of \$22,000,000 (the “Agreements”); now therefore be it

RESOLVED, that the Property and Facilities Committee hereby approves the occupancy of said hotel space to provide supplemental student housing for Academic Year 2021, as described herein; and be it further

RESOLVED, that the proper officers of the University shall be and hereby are authorized to finalize negotiations and execute the Agreements at an estimated total cost of \$22,000,000; and be it further

RESOLVED, that the proper officers of the University shall be and hereby are authorized to execute such agreements, leases, assignments, declarations, plans, permits, certificates, or other instruments and to take any and all such actions as may be required or which they may deem necessary or appropriate in order to accomplish the foregoing.

**RESOLUTION OF THE
PROPERTY AND FACILITIES COMMITTEE
APPROVING THE UNIVERSITY OF PITTSBURGH'S
CONTRIBUTION TO THE DEVELOPMENT OF THE
COMMUNITY ENGAGEMENT CENTER IN THE HILL DISTRICT
NEW GRANADA THEATER AND ADDITION**

WHEREAS, the Board of Trustees has delegated authority and responsibility to the Property and Facilities Committee to review and approve: (i) acquisitions or dispositions, in whole or in part, of real property; (ii) lease arrangements; and (iii) new and/or renovation construction projects undertaken by the University or entities under its control; and

WHEREAS, the University desires to enter into planned leases for space in the historic New Granada Theater Building, as well as a planned new adjoining building (the "Addition") to be developed by the Hill Community Development Corporation (HCDC); and

WHEREAS, the University wishes to occupy approximately 20,000 square feet of the development to serve as a new Community Engagement Center; thereby making a catalytic community development investment in one of Pittsburgh's most renowned African American communities; and

WHEREAS, the University plans to invest in this development with a maximum project contribution of \$6,000,000 to be applied to the HCDC's renovation and construction costs and base building improvements and premises buildout, including all soft costs, furnishings, fixtures, and equipment; now therefore be it

RESOLVED, that the proper officers of the University shall be and hereby are authorized to finalize negotiations on the terms of the leases and the University's investment in the development at a contribution of \$6,000,000; and be it further

RESOLVED, that the proper officers of the University shall be and hereby are authorized to execute such agreements, leases, assignments, declarations, plans, permits, certificates, or other instruments and to take any and all such actions as may be required or which they may deem necessary or appropriate in order to accomplish the foregoing.

**RESOLUTION OF THE
PROPERTY AND FACILITIES COMMITTEE
APPROVING THE RENEWAL OF THE LEASE BETWEEN
THE UNIVERSITY OF PITTSBURGH
AND BRIDGESIDE PITT, LLC
(SCHOOL OF HEALTH AND REHABILITATION SCIENCES)**

WHEREAS, the Board of Trustees has delegated authority and responsibility to the Property and Facilities Committee to review and approve (i) acquisitions or dispositions, in whole or in part, of real property, (ii) lease arrangements, and (iii) new and/or renovation construction projects undertaken by the University or entities under its control; and

WHEREAS, the University of Pittsburgh desires to renew the lease for 34,623 rentable square feet (rsf) of space in Bridgeside Point One, located at 100 Technology Drive, Pittsburgh, PA 15219, for the School of Health and Rehabilitation Sciences; and

WHEREAS, the renewal term is for five years beginning on October 1, 2021 with an initial annual base rent of \$1,038,690 (\$30.00/rsf) and annual increases of 2% thereafter, with full rental abatement for the first three months of the renewal term, along with escalations for the prorated share of increases in operating expenses over base year 2021; now therefore be it

RESOLVED, that the Property and Facilities Committee hereby approves the renewal of the lease between the University of Pittsburgh and Bridgeside Pitt, LLC, as described herein; and be it further

RESOLVED, that the proper officers of the University be and hereby are authorized to execute all documents necessary to consummate the lease.