

Special Board of Regents Meeting

New Mexico State University

Hadley Hall Room 130

April 11, 2016

9:30 am

AGENDA

MINUTES

1. CALL TO ORDER, Regent Chair Debra Hicks, NMSU

Chair Debra Hicks called the meeting to order at 9:30 am.

2. INTRODUCTIONS, (Telephonic participants will identify themselves and their location)

3. APPROVAL OF THE AGENDA

Regent Jerean Hutchinson moved and Regent Amanda López Askin seconded approval of the agenda. Motion passed.

4. Action Items

A. Approval of the Lease between the NMSU Board of Regents and Central New Mexico Community College

Presented by Chancellor Garrey Carruthers

Chair Hicks reminded those present and on the phone that these leases had been vetted previously through the Regents' Real Estate Committee.

Chancellor Garrey Carruthers spoke with CNM President Kathy Winograd to make sure they "were game". NMSU had been at Pine tree Plaza in the Albuquerque Center, a lease signed by former NMSU Interim President Waded Cruzado. We are not using the space. We had a vision of expansion that did not transpire.

Chancellor Carruthers gave the details of the differences in the proposed lease with CNM versus the lease at Pinetree. NMSU will have to notify Pine tree that we will not continue there. CNM will prepare alterations, parking is quality, utilities will be paid by CNM, and we have a 30 day notice clause. He reported that HED Cabinet Secretary Barbara Damron is pleased with the arrangement between the two universities. The final agreement must be approved by HED.

After a clarification to Regent Kari Mitchell on what was being voted on, Regent Mitchell moved and Regent Hutchinson seconded the motion to approve the lease agreement. A roll call vote was held with Regent Hicks, Regent Mitchell, Regent Hutchinson, and Regent López Askin voting in favor. Regent Cheney did not attend. Motion passed.

B. Approval of a sub-lease between Aggie Development, Inc. and DMC Holdings, LLC for property located west of the Las Cruces Convention Center.

Presented by Chancellor Garrey Carruthers

Chancellor Carruthers explained that the NMSU hotel lease had been added to the agenda to seek clarity. He believed that he has the authority to sign the lease under his authority with Aggie Development, Inc.

Prakash Sundaram grew up in Gallup, NM. There was originally an expectation that NMSU would develop hotel adjacent to the Las Cruces Convention Center (LCCC) at Union and University. That transaction was cancelled. After Chancellor Carruthers took the President's post, he re-ignited the idea. Chancellor Carruthers described the terms of the lease, including a 6month due diligence period, Rent will start when the building permit is in hand. They have a good agreement with NMSU's School of Hotel, Restaurant and Tourism Management (HRTM) for internships and hotel jobs in New Mexico. Chancellor Carruthers gave kudos to Aggie Development, Incorporated and the Regents' Real Estate Committee. He applauded the expertise on the boards. Regent Mitchell asked a question about the base rent which will be \$80K per year and on the upside, 3% of gross revenues. Chancellor Carruthers explained there are no related expenses to serve the lease.

Regent Hutchinson commended the parties on getting the project done. She asked if there was a commitment on the number of HRTM internships. Mr. Sundaram is willing to extend these internships to his other hotels. Chair Hicks noted that the LCCC has 5 internships in its lease agreement. Regent Hutchinson wants to make sure there are internships in the agreement going forward.

Regent López Askin stated her thanks for getting the project going. Regent Hicks called for a roll call vote. Regent Hicks, Regent Mitchell, Regent Hutchinson and Regent López Askin voted in the affirmative. Regent Cheney was absent. Motion passed.

5. Upcoming Meetings-Next Regular Meeting of the NMSU Board of Regents, Friday, May 13, 2016, 9:00 am to 11:30 am, NMSU Main Campus, Regents Room in the Educational Services Building, Las Cruces, NM.

Chair Hicks announced the next meeting date.

6. ADJOURNMENT

Regent Mitchell moved to adjourn which was seconded by Regent Mitchell. All Regents present voted in the affirmative.

Meeting was adjourned.