



Office of the President

REVISED
University of Central Florida
Board of Trustees Meeting
January 29, 2015
FAIRWINDS Alumni Center
Agenda
9:00 a.m. – 4:00 p.m.
Lunch 12:00 p.m.
800-442-5794, passcode, 463796

COMMITTEE MEETINGS

9:00 – 9:30 a.m.	Audit, Operations Review, Compliance, and Ethics, Jim Atchison, Chair
9:30 – 10:30 a.m.	Advancement, Richard Crotty, Chair
10:30 – 11:45 a.m.	Educational Programs, Robert Garvy, Chair
11:45 a.m. – 12:00 p.m.	Finance and Facilities, Marcos Marchena, Chair

BOARD MEETING

	1:00 – 4:00 p.m.
1. Welcome and call to order	Olga Calvet, Chair
2. Roll call	Rick Schell, Associate Corporate Secretary
3. Public comment	Rick Schell, Associate Corporate Secretary
4. Minutes of November 20, and December 19, 2014, meetings	Chair Calvet
5. Remarks and introductions	John C. Hitt, President
6. UCF Presidential Selection Plan report	Phyllis Klock, Trustee <i>Emerita</i>
7. Downtown UCF report	Dale Whittaker, Provost
8. Consent Agenda	
FF-1	Approval 2014-15 UCF Convocation Corporation Amended Budget (Merck)

Board of Trustees Meeting - Agenda

- | | | |
|-----|---|--|
| 9. | Advancement Committee report | Richard Crotty, Chair |
| 10. | Audit, Operations Review,
Compliance, and Ethics Committee
report | Jim Atchison, Chair |
| 11. | Educational Programs Committee
report | Robert Garvy, Chair |
| | EP-1 Approval | Proposal to Establish a New Type I Campus
(Whittaker) |
| 12. | Finance and Facilities Committee
report | Marcos Marchena, Chair |
| | FF-2 Approval | UCF Convocation Corporation Transfer of Funds to
the Golden Knights Corporation (Merck) |
| 13. | New business | Chair Calvet |
| 14. | Announcements and adjournment | Chair Calvet |

Upcoming meetings:

- | | |
|--|--|
| Board of Governors meetings | February 19, 2015
(Tallahassee Community College) |
| | March 18-19, 2015
(Florida A&M University) |
| UCF Foundation Retreat | March 20, 2015
(NorthView Student Housing) |
| Board of Trustees meeting | March 26, 2015
(FAIRWINDS Alumni Center) |
| AGB National Conference on Trusteeship | April 19-21, 2015
(Arizona Biltmore, Phoenix, AZ) |
| 15. | Tour of the College of Engineering and Computer Science labs to follow immediately
after the meeting. |

**Minutes
Board of Trustees Meeting
University of Central Florida
November 20, 2014**

Chair Olga Calvet called the meeting of the Board of Trustees to order at 1:15 p.m. in the Fairwinds Alumni Center on the UCF Orlando campus.

The following board members attended the meeting: Chair Olga Calvet, Weston Bayes, Clarence Brown, Richard Crotty, Robert Garvy, Ray Gilley, Marcos Marchena, Alex Martins, Reid Oetjen, and Beverly Seay.

WELCOME

Chair Calvet reported that President John C. Hitt and Provost Dale Whittaker were unable to attend the board meeting and that William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer, would represent President Hitt.

Calvet reminded the board that the meeting was covered by the Florida Sunshine Law and that the public and press were invited to attend.

She welcomed the board members and called on Rick Schell, Associate Corporate Secretary, to call the roll. Schell noted that a quorum was present.

Calvet called for approval of the September 25, 2014, meeting minutes, which were approved.

Calvet called on Merck for remarks.

REMARKS

Merck reported that in football news, UCF student athletes are graduating at a higher rate than any other NCAA Division I public institution. Based on data released by the NCAA, UCF has a graduation success rate of 95 percent. That percentage ties the Knights with Boston College for fifth-best in NCAA Division I, trailing only private institutions Notre Dame, Stanford, Duke, and Northwestern.

Merck also reported that after UCF's 31-24 overtime win over BYU, the American Athletic Conference honored sophomore quarterback Justin Holman, senior linebacker Terrance Plummer, and senior wide receiver and punt returner J.J. Worton with offensive, defensive, and special teams weekly honors. It was the first time in UCF history that the Knights' swept a league's weekly awards.

Merck also noted that in the same BYU game, middle linebacker Terrance Plummer was named the national defensive player of the week by the Walter Camp Football Foundation, another first for our football team.

INTRODUCTIONS

Merck congratulated the following members of the UCF community.

Deborah German, Vice President for Medical Affairs and founding Dean of the UCF College of Medicine, was honored as a Renaissance Woman in Medicine, receiving the national Alma Dea Morani M.D. Award from the Foundation for the History of Women in Medicine. The award honors an outstanding woman physician or scientist who has furthered the practice and understanding of medicine, exemplifies humanism, and “challenges the status quo with a passion for learning.”

Mark Schafer, Department of Political Science, received nearly \$2 million from the Defense Intelligence Agency to establish a center for intelligence and security studies that will allow UCF to become one of a handful of universities nationwide to house an Intelligence Community Center of Academic Excellence.

UCF’s Police Chief Richard Beary was sworn in as president of the International Association of Chiefs of Police, marking the first time the chief of a university or college law enforcement agency has held this position.

REPORTS

Bridget Burns, the Executive Director of the University Innovation Alliance, reported on the latest developments in the University Innovation Alliance.

Paul Lartonoix, Interim Assistant Vice Provost, and Dan Holsenbeck, Vice President for University Relations, provided an update on Downtown UCF.

PUBLIC HEARING—2015-25 CAMPUS MASTER PLAN UPDATE

Lee Kernek, Associate Vice President for Administration and Finance, gave a presentation on the UCF Campus Master Plan 2015-25.

Schell outlined the Florida statute requirements that universities must meet in order to adopt campus master plans. Schell noted that UCF had met the initial requirements.

Schell announced that UCF would hold its second public hearing on the master plan update, and he welcomed public comment.

After the conclusion of comments from the public, a motion was made and unanimously passed by the board approving the following action:

- FF-1 Approval of the UCF 2015-25 Campus Master Plan Update.

INFORMATION

Calvet noted the following informational item included in the trustees' packets.

- INFO-1 Annual Report, July 1, 2013-June 30, 2014

CONSENT AGENDA

A motion was made to accept the consent agenda, and members of the board unanimously approved the following actions.

- ADV-1 University Of Central Florida Foundation Amended Bylaws–Approving the University of Central Florida Foundation, Incorporated amended bylaws.
- CL-1 2011-14 Performance Unit Plan Goal Accomplishments–Approval of the 2011-14 Performance Unit Plan Goal Accomplishments documented by the University Audit Office.
- CL-2 Performance Unit Plan Payments for the 2011-14 Cycle–Approval of the Performance Unit Plan Payments earned by participants for the 2011-14 Cycle for Accomplishment of the three-year performance measures set by the Board of Trustees on November 17, 2011.
- CL-3 2014-17 Performance Incentive Measures and Goals–Approval of the 2014-17 Performance Incentive Measures and Goals for the president and senior officers.
- CL-4 2014-17 Performance Unit Plan Awards–Approval of the Compensation and Labor Committee's report on the assessment of the president's performance and its recommendation for his compensation.
- EP-1 Conferral of Degrees–Concurrence with the conferral of degrees at the fall 2014 commencement ceremonies.
- EP-2 2013-14 University Of Central Florida Annual Accountability Report to the Board of Governors–Approval of the 2013-14 Annual Accountability Report to the Board of Governors with permission to add at a later time non-material data that are still to be supplied by the staff of the Board of Governors.
- EP-3 Program Review Policy Revisions–Approval of UCF's revised Academic Program Review Policies and Procedures.
- FF-2 Review of Debt Guidelines–Approval of UCF's revised debt management guidelines.
- FF-3 Revisions to UCF Investment Policy–Approval of the revisions to the operating funds supplement to the UCF Investment Policy.

COMPENSATION AND LABOR AD HOC COMMITTEE REPORT

Marcos Marchena, Vice Chair of the Compensation and Labor Ad Hoc Committee, announced that the committee met on October 22, 2014, and reported the highlights from that meeting. He presented the following item for board approval.

- CL-5 Report on the Assessment of the President's Performance and Recommendation for Compensation—A motion was made and unanimously passed approving the report on the Assessment of the President's Performance and Recommendation for Compensation.

ADVANCEMENT COMMITTEE REPORT

Rich Crotty, Chair of the Advancement Committee, reported the highlights from the committee meeting earlier in the day, as follows.

- Dan Holsenbeck, Vice President for University Relations, gave a legislative update.
- Robert Holmes, Vice President for Alumni Relations and Development and Foundation CEO, gave a report on fundraising efforts. He also gave a presentation on College Relations, Outreach & Engagement. He reminded board members of the March 20, 2015, retreat scheduled for members of the board and the Foundation board, noting information would be forwarded in the future. Holmes reported that groundbreaking for the Wayne Densch Center for Student-Athlete Leadership would occur on November 21.
- Grant Heston, Vice President for Communications and Marketing, reported that the major projects his division supports are UCF Cares, the Florida Consortium, the University Innovation Alliance, the UCF Downtown Project, and the Faculty Hires Initiative. He noted that the 2014 UCF Tool Kit was included in each board members' packet. Heston reported that WUCF-TV is launching a campaign to continue the growth of support for local programming.
- Heston advised that, in light of the recent incident at Florida State University, UCF has offered its assistance to FSU. He also reported that UCF's emergency alert system had been tested September 30, 2014, and the university is fully prepared to alert and inform students and staff in case of an emergency situation.

EDUCATIONAL PROGRAMS COMMITTEE REPORT

Robert Garvy, Chair of the Educational Programs Committee, noted the Educational Programs Committee items approved in the consent agenda and reported the highlights from the committee meeting earlier in the day, as follows.

- Diane Z. Chase, Executive Vice Provost for Academic Affairs, reported on the conferral of degrees at the fall 2014 commencement ceremonies as follows:
4,422 baccalaureate degrees
677 master's degrees
135 doctoral and specialist degrees
5,234 total
- Chase and Paige Borden, Assistant Vice President for Institutional Knowledge Management, reported on the 2014 UCF Annual Accountability Report to the Board of Governors.
- Chase reported on the Revision of UCF's Academic Program Review Policy and Provisions.
- Chase reported on the 2013-14 Program Review Results Summary. She provided a brief overview of the academic program review process and submitted review results for those programs reviewed during 2013-14.
- Chase reported on the Centers and Institutes Review Results.
- Jose Fernandez, Dean of the College of Arts and Humanities, Michael Frumkin, Dean of the College of Health and Public Affairs, and Michael Johnson, Dean of the College of Sciences, presented information on the 2012-13 Academic Program Review Recommendation Implementation Status.
- M.J. Soileau, Vice President for Office of Research and Commercialization, reported on the 2014 Funding Summary, noting that UCF received a university record of \$145.6 million in sponsored funding in 2014.
- Deborah German, Vice President for Medical Affairs and Dean of the College of Medicine, presented an update on the College of Medicine and the progress of the residency program.

NOMINATING AND GOVERNANCE COMMITTEE REPORT

Ray Gilley, Chair of the Nominating and Governance Committee, reported the highlights from the committee meeting earlier in the day. He presented the following items for board approval.

- NG-1 Honorary Doctorate of Public Service for Alan Ginsburg—A motion was made and passed unanimously approving an honorary Doctor of Public Service degree for Alan Ginsburg.
- NG-2 Honorary Doctorate of Commercial Science for Richard Walsh—A motion was made and passed unanimously approving an honorary Doctor of Commercial Science degree for Richard Walsh.

NEW BUSINESS

Clarence Brown reported that the Dr. Phillips Center for Performing Arts recently opened its new facility in the downtown area. On the second floor of the facility is a donor room, which UCF personnel will have access to at every event that is held at that center. Brown noted that Helen Donegan, Vice President for Community Relations, will take reservations for the donor room.

ANNOUNCEMENTS AND ADJOURNMENT

Chair Calvet announced the following upcoming meetings:

Board of Governors meeting	January 21–22, 2015 (University Of North Florida)
Board of Trustees meeting	January 29, 2015 (Fairwinds Alumni Center)
AGB National Conference on Trusteeship	April 19–21, 2015 (Arizona Biltmore, Phoenix, AZ)

Calvet adjourned the board meeting at 3:50 p.m.

Respectfully submitted: _____ Date: _____

John C. Hitt
Corporate Secretary

**Minutes
Board of Trustees Teleconference Meeting
University of Central Florida
December 19, 2014**

Chair Olga Calvet called the meeting of the board of trustees to order at 9:01 a.m. in the President's Boardroom, Millican Hall, on the UCF Orlando campus.

The following board members attended the meeting via teleconferencing: Chair Olga Calvet, Vice Chair John Sprouls, Trustees Weston Bayes, Clarence Brown, Richard Crotty, Alan Florez, Robert Garvy, Ray Gilley, Marcos Marchena, Alex Martins, Reid Oetjen, and Beverly Seay.

WELCOME

Calvet welcomed the board members and called on Rick Schell, Associate Corporate Secretary, to call the roll. Schell noted that a quorum was present.

NEW BUSINESS

Calvet called on Marcos Marchena, Chair of the Finance and Facilities Committee, to introduce the single item for consideration by the board. Marchena called on William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer, and Dr. Joel L. Hartman, Vice Provost and CIO for Information Technologies and Resources, who reported on the Oracle Five-year Software Maintenance License.

Calvet presented the following item for board approval.

- BOT-1 Oracle Five-year Software Maintenance License Renewal—A motion was made and unanimously passed by the board approving the Oracle software maintenance license pre-payment totaling \$8,347,004.96.

Calvet adjourned the board meeting at 9:12 a.m.

Respectfully submitted: _____ Date: _____

John C. Hitt
Corporate Secretary

University of Central Florida



Presidential Selection Plan

Dr. Phyllis Klock, Trustee *Emerita*

Board of Trustees Meeting
January 29, 2015

PRESIDENTIAL SELECTION: PROCESS GUIDE FOR THE UNIVERSITY OF CENTRAL FLORIDA

I. Roles in Presidential Selection Process

- A. Selecting President:** This is the sole responsibility of the UCF Board of Trustees, with the selection subject to ratification by the Florida Board of Governors.
- B. Screening of Candidates:** This responsibility is delegated by the UCF Board of Trustees to a search committee whose members are appointed by the board and are charged with conducting specific activities.
- C. Searching for Applicants:** This is a critical activity in which all members and friends of the UCF academic community may participate.

II. Background Steps

- A. Preparation and Updating of Institutional Analysis:** This committee appraised the present condition of UCF and detailed the reasons for its success to determine qualities needed in a future president. As Judith McLaughlin and David Reisman indicate in *The Presidential Search: A Guide to the Process of Selecting and Appointing College and University Presidents*, "If a successful search is to be conducted, the search committee must have a clear sense of the sort of person for whom they are searching. The starting point of the search process, then, should be introspection concerning what the institution needs in order to reorganize strengths and to cope with weaknesses, both in terms of history and tradition, and future prospects and dilemmas. . . . Without an institutional assessment and leadership definition, the search committee is also at a loss to know who will be the best choice for them. They run the risk of choosing someone totally inappropriate for their institution, someone whose attractiveness lies in the fact that his or her style differs (or mirrors) the departing president, or someone whose understanding of the college or university is too limited for effective leadership."

With significant and thoughtful input from President John Hitt and the UCF leadership team, the Nominating Committee enumerated the Critical Success Factors that have been key to UCF's prominence. This document will be reviewed and updated annually until such time as the board undertakes a presidential search.

- B. Development Leadership Statement:** A Leadership Statement developed by the president and the committee provides a description of the qualities sought in a president at this stage of UCF's development. Representing the board's consensus on the work to be done in a next presidency, the statement serves as a single grid against which candidates will be measured.

The Nominating Committee has adopted the Leadership Statement This document will be reviewed and updated annually until such time as the board undertakes a presidential search.

- C. Appointment of Interim President (If Needed):** The board chair will appoint a selection committee to select an interim president as expediently as possible, should such an appointment be needed. In order that the subsequent presidential search be completely open and robust, the individual appointed as interim president would agree not to be a candidate for president.
- D. Decisions on Compensation Range:** The Compensation and Labor Committee annually reviews the president's compensation package and recommends changes to the board. At the time of a search, the committee will update the compensation data as may be needed.
- E. Decisions on Search Consultant:** A search consultant will be used for a presidential search. *(Continue discussions of best practices through AASCU and others.)*
- F. Size and Composition of Board of Trustees' Search Committee:** A search committee composed of eight to fifteen members will be appointed by the board chair with input from the trustees and the leadership of the university. A chair and vice chair of the search committee, both of whom will be trustees, will be appointed by the board chair. All appointments will be ratified by the full board.

The search committee will also include representatives from the faculty, student body, staff, and the broader community, as well as others who are identified as helpful to the process. Additionally, the board chair will ask the Florida Board of Governors appoint a representative to serve on the search committee. The board chair also will ask the presidents of the community colleges who participate in the consortium with UCF to appoint a representative to the search committee.

The search committee will select a search consultant, work with the consultant to solicit and screen applicants using the Leadership Statement adopted by the board, interview semi-finalists, and recommend three to five finalists to the full board. In all of its actions, the search committee will act in a manner consistent with the requirements of the sunshine law.

- G. Development of Search Committee Charge:** Please see the attached Exhibit A. This charge will be presented to all members of the search committee.

H. Establishment of Timeline

III. Implementation

- A. Appointment of Search Committee:** See description above.
- B. Retention of Search Consultant:** The search committee may interview as many as five search firms or consultants and will retain the firm or consultant that it believes will best meet its needs.
- C. Advertising of Position and Development of Candidate List:** The search consultant will solicit nominations for the position from his or her various sources. Additionally, the position will be advertised broadly through *The Chronicle of Higher Education* and other appropriate media. All nominations and applications will be directed to the search consultant. Applications and nominations will be considered to be open until the finalist selection process is completed.
- D. Screening and Selection of Semifinalists:** The search consultant will review all of the nominations and applications based on the agreed-upon leadership criteria and will narrow the applicant pool to a reasonable number (12-20 candidates). The search consultant will discuss these candidates informally and separately with the chair and vice chair of the search committee. Assuming positive feedback, the search consultant will then confirm with each of these candidates that he or she understands the public nature of the process and agrees to be a semifinalist. The search consultant will then forward all semifinalist applications to the search committee.
- E. Semifinalist Interview:** Members of the search committee will conduct semifinalist interviews at an off-campus location.
- F. Reference and Background Checks:** These checks will be conducted by the search consultant and members of the search committee, with the assistance of others as may be appropriate.

- G. Determination of Finalists:** The search committee will select up to five finalists.
- H. Campus Visits:** Members of the search committee, with the aid of the search consultant, will arrange campus visits for all finalists. These visits will feature multiple opportunities for the candidates to interact with representatives from the board, faculty, students, staff, and the broader community. The search committee will solicit and summarize campus and community reactions to the finalist candidates.
- I. Recommendation by Search Committee:** The search committee will forward to the Board of Trustees an unranked list of up to five individuals who, in the committee's judgment, are well qualified to serve as president.
- J. Final Selection by Board of Trustees and Negotiations**
- K. Ratification by the Florida Board of Governors**
- L. Welcome and Transition Activities:** The Board will oversee the announcements of the selection of the new President, with notification to those most directly affected (e.g., faculty, student and administrative staff leaders) preceding the public announcements. The Board and the new President will discuss mutual expectations regarding Board culture, processes, communication and operations. Additional reading material about the University will be provided to the President. A series of introductions to the University and the broader community will be scheduled, affording the President the opportunity both to increase his or her understanding of the University and the community and to express his or her goals and viewpoints on a variety of issues. The Board and the President will consider the desirability of a series of familiarization workshops and of a transition team or committee.

EXHIBIT A: DRAFT OF BOARD'S CHARGE TO PRESIDENTIAL SEARCH COMMITTEE

The search committee, appointed to advise the Board of Trustees of the University of Central Florida, is composed of _____ members. The committee's chair is Trustee _____, and its vice chair is Trustee _____.

The search committee is charged with recommending to the trustees not later than (date), an unranked list of three to five individuals who are well qualified to lead UCF as its next president. The search committee is asked to base its recommendations upon the Leadership Statement adopted by the Board of Trustees, as well as the trustees' established equal opportunity and affirmative action policies.

The board asks the search committee to conduct the following activities in discharging its duties:

- Select and retain a search consultant who will assist the search committee throughout the process.
- Draft and place advertisements for the position, using the statement of leadership qualities as the basis for advertising.
- Actively solicit nominations and applications from a diverse group of well-qualified persons.
- Oversee the receipt of and responses to applications and nominations from all sources.
- Screen applications using the leadership criteria as the basis for choice.
- Select and interview semifinalist candidates.
- Assist in checking references of semifinalists.
- Assist in arranging campus visits for finalists.
- Report to the board a summary of campus and community reactions to finalists.
- Ensure that appropriate information about the university and the presidency is provided to candidates at each stage of the screening process.
- Ensure that confidentiality is strictly observed with respect to applicants and to the committee's internal deliberations.

The Board of Trustees extends its gratitude to the members of the search committee for accepting this demanding assignment. You have the trustees' warmest wishes for a successful conclusion. The future of the university rests upon your wisdom.

CRITICAL SUCCESS FACTORS

University of Central Florida

Board of Trustees' Nominating Committee

1. **A winning strategic vision: as a metropolitan research university, UCF aligns its programs of teaching, research, and service with the educational, cultural, and economic needs of Central Florida**
2. **Strategic thought and action.**
3. **A constancy of purpose: the ongoing pursuit of clearly and concisely stated goals.**
4. **Integrity: the earned reputation that we do what we say we will do.**
5. **Teamwork: a mutually accountable leadership team that shares goals and works effectively together to achieve them.**
6. **A nimble and flexible organization that makes timely decisions and acts responsively.**
7. **A commitment to quality, continuous improvement, and personal accountability.**
8. **A focus on student and faculty opportunity and success.**
9. **An entrepreneurial mindset with a tolerance for risk and a focus on partnerships.**
10. **Dedicated and talented university leader.**

Leadership Statement

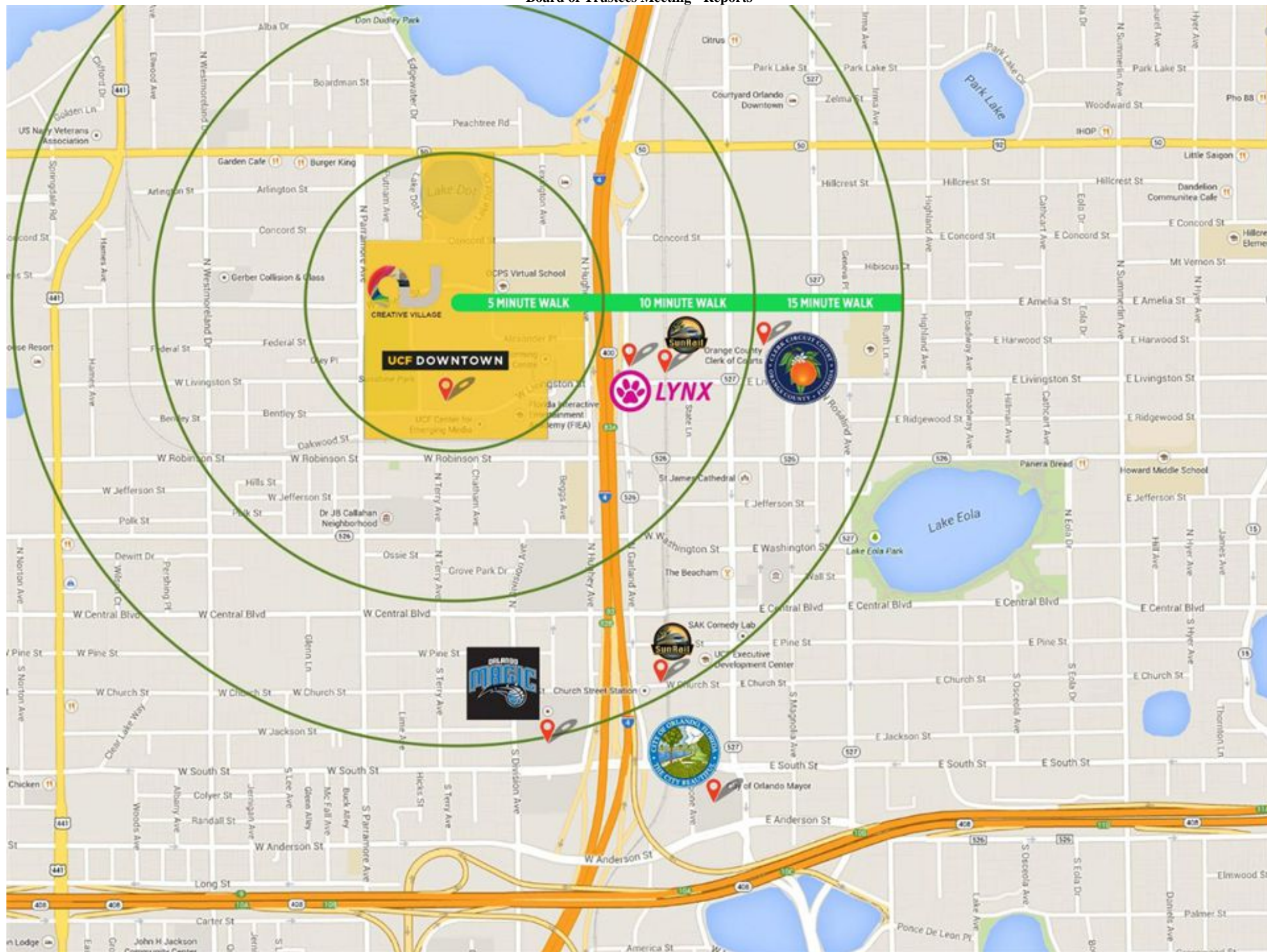
University of Central Florida
Board of Trustees' Nominating Committee
July 21, 2008

The successful candidate will demonstrate the following characteristics:

- a high level of integrity
- a strong personal academic background
- a sense of commitment to undergraduate education, as well as a dedication to and understanding of graduate education and research
- a respect and concern for students
- a commitment to student success in all areas of the collegiate experience
- an understanding and respect for the roles and responsibilities of the faculty
- a demonstrated record of building, nurturing, and working with a high caliber leadership team
- a demonstrated record of partnership and entrepreneurship
- a willingness to make strategic choices, timely decisions, and responsive actions
- the ability to acquire resources from a variety of sources
- a keen understanding of the unique mission of a metropolitan research university

UCF DOWNTOWN











UCF DOWNTOWN



UCF DOWNTOWN

The fact that UCF is considering growing in downtown is an absolute game-changer for our urban core.

— Orlando Mayor, Buddy Dyer

UCF is actively working with the City of Orlando and other partners on a plan for the 68 acres freed up when the NBA's Orlando Magic moved its arena and headquarters about a mile away. This developable area, adjacent to Interstate 4 and the historic Parramore Community, is the home of Creative Village.

Creative Village, the largest mixed-use project in downtown Orlando, will provide space for K-12 education, residential units,

retail, commercial, office space, hotel, public parks and civic space. And for higher education, where approximately 20 acres have been zoned for UCF and Valencia College.

According to early estimates, between 10,000 and 13,000 students from both schools will add to the creativity and vitality of the area, creating a bridge of common interest and purpose with established neighborhoods.

PHASED PROJECT PLAN

Project Phase	Programs	Gross Square Feet	Cost and Number of Students	Cumulative Total
1	UCF / Valencia College joint-use facility	165,000	\$57,750,000 2,025 students	\$57,750,000 2,025 students
2	Florida Interactive Entertainment Academy / Visual Arts / Digital Media / Mass Communications / Health and Public Affairs Community Centers / Engineering / IdeaLab / Public TV and Radio	222,000	\$77,717,325 3,115 students	\$135,467,325 5,140 students
3	Visual Arts / Architecture / Human Communication / Health and Public Affairs Academic Programs	83,000	\$29,032,500 6,652 students	\$164,499,825 11,792 students
4	Education / Early Childhood Development / Visual Arts / Studio Art	120,000	\$42,164,850 1,239 students	\$206,664,675 13,031 students

ITEM: FF-1

**University of Central Florida
Board of Trustees**

SUBJECT: 2014-15 UCF Convocation Corporation Amended Budget

DATE: January 29, 2015

PROPOSED BOARD ACTION

Approval of the amended 2014-15 operating budget for the UCF Convocation Corporation.

BACKGROUND INFORMATION

The Florida Board of Governors requires the local boards of trustees for the state universities to approve the operating budgets of the universities' direct support organizations.

The UCF Convocation Corporation has amended its 2014-15 operating budget previously approved by the Board of Trustees.

Supporting documentation: Amended UCFCC 2014-15 budget (Attachment A)
Original approved UCFCC 2014-15 budget
(Attachment B)

Prepared by: John C. Pittman, Associate Vice President for Debt Management,
Administration and Finance

Submitted by: William F. Merck II, Vice President for Administration and Finance
and Chief Financial Officer

Attachment A

**UCF Convocation Corporation
Annual Budget (Revised)
2014-15**

	2014-15 Proposed Budget	2013-14 Approved Budget	Variance	2014-15 Proposed Budget	2013-14 Projected Actual	Variance
Arena Operations						
Revenues						
Event related	\$ 7,331,987	\$ 7,054,666	\$ 277,321	\$ 7,331,987	\$ 5,488,649	\$ 1,843,338
Premium seating and sponsorship	1,347,717	1,359,000	(11,283)	1,347,717	1,133,046	214,671
Other	3,278,705	2,584,052	694,653	3,278,705	2,613,757	664,948
University support	-	2,285,575	(2,285,575)	-	2,500,000	(2,500,000)
Total revenues	11,958,409	13,283,293	(1,324,884)	11,958,409	11,735,452	222,957
			(10.0)%			1.9 %
Expenses						
Direct event	5,938,431	5,033,900	(904,531)	5,938,431	4,529,278	(1,409,153)
Operating and indirect event	3,686,906	3,259,201	(427,705)	3,686,906	2,890,889	(796,017)
Direct premium seating	325,160	796,572	471,412	325,160	315,735	(9,425)
Total expenses	9,950,497	9,089,673	(860,824)	9,950,497	7,735,901	(2,214,596)
			(9.5)%			(28.6)%
Net increase from arena operations	2,007,912	4,193,620	(2,185,708)	2,007,912	3,999,551	(1,991,639)
			(52.1)%			(49.8)%
Housing Operations						
Revenues						
Apartment rentals	17,742,868	17,542,290	200,578	17,742,868	16,854,491	1,088,377
Parking	1,036,388	1,036,388	-	1,036,388	1,036,388	-
Other	130,500	129,500	1,000	130,500	305,488	(174,988)
Total revenues	18,909,756	18,708,178	201,578	18,909,756	17,996,367	913,389
			1.1 %			5.1 %
Total expenses	6,294,315	6,510,100	215,785	6,294,315	5,345,893	(948,423)
			3.3 %			(17.7)%
Net increase from housing operations	12,615,441	12,198,078	417,363	12,615,441	12,650,474	(35,033)
			3.4 %			(0.3)%
Retail Operations						
Total revenues	1,844,358	1,772,156	72,202	1,844,358	1,705,993	138,365
			4.1 %			8.1 %
Total expenses	519,827	568,754	48,927	519,827	487,014	(52,813)
			8.6 %			(11.3)%
Net increase from retail operations	1,324,531	1,203,402	121,129	1,324,531	1,238,979	85,552
			10.1 %			6.9 %
Net increase from total operations	\$ 15,947,884	\$ 17,595,100	\$ (1,647,216)	\$ 15,947,884	\$ 17,889,004	\$ (1,941,120)
			(9.4)%			(10.9)%
Debt Service						
Total principal and interest payments	\$ 14,112,978				\$ 16,204,440	

Attachment B

UCF Convocation Corporation
Annual Budget
2014-15

	2014-15 Proposed Budget	2013-14 Approved Budget	Variance	2014-15 Proposed Budget	2013-14 Projected Actual	Variance
Arena Operations						
Revenues						
Event related	\$ 7,331,987	\$ 7,054,666	\$ 277,321	\$ 7,331,987	\$ 5,488,649	\$ 1,843,338
Premium seating and sponsorship	1,328,717	1,359,000	(30,283)	1,328,717	1,133,046	195,671
Other	3,278,705	2,584,052	694,653	3,278,705	2,613,757	664,948
University support	-	2,285,575	(2,285,575)	-	2,500,000	(2,500,000)
Total revenues	11,939,409	13,283,293	(1,343,884)	11,939,409	11,735,452	203,957
			(10.1)%			1.7 %
Expenses						
Direct event	5,938,431	5,033,900	(904,531)	5,938,431	4,529,278	(1,409,153)
Operating and indirect event	3,686,906	3,259,201	(427,705)	3,686,906	2,890,889	(796,017)
Direct premium seating	325,160	796,572	471,412	325,160	315,735	(9,425)
Total expenses	9,950,497	9,089,673	(860,824)	9,950,497	7,735,901	(2,214,596)
			(9.5)%			(28.6)%
Net increase from arena operations	1,988,912	4,193,620	(2,204,708)	1,988,912	3,999,551	(2,010,639)
			(52.6)%			(50.3)%
Housing Operations						
Revenues						
Apartment rentals	17,742,868	17,542,290	200,578	17,742,868	16,654,491	1,088,377
Parking	1,036,388	1,036,388	-	1,036,388	1,036,388	-
Other	130,500	129,500	1,000	130,500	305,488	(174,988)
Total revenues	18,909,756	18,708,178	201,578	18,909,756	17,996,367	913,389
			1.1 %			5.1 %
Total expenses	6,342,041	6,510,100	168,059	6,342,041	5,345,893	(996,149)
			2.6 %			(18.6)%
Net increase from housing operations	12,567,715	12,198,078	369,637	12,567,715	12,650,474	(82,759)
			3.0 %			(0.7)%
Retail Operations						
Total revenues	1,844,358	1,772,156	72,202	1,844,358	1,705,993	138,365
			4.1 %			8.1 %
Total expenses	519,827	568,754	48,927	519,827	467,014	(52,813)
			8.6 %			(11.3)%
Net increase from retail operations	1,324,531	1,203,402	121,129	1,324,531	1,238,979	85,552
			10.1 %			6.9 %
Net increase from total operations	\$ 15,881,158	\$ 17,595,100	\$ (1,713,942)	\$ 15,881,158	\$ 17,889,004	\$ (2,007,846)
			(9.7)%			(11.2)%
Debt Service						
Total principal and interest payments	\$ 14,408,435				\$ 16,204,440	

ITEM: EP-1

**University of Central Florida
BOARD OF TRUSTEES**

SUBJECT: Proposal to Establish a New Type I Campus

DATE: January 29, 2015

PROPOSED BOARD ACTION

Approval of concept for the Board of Governors, State University System of Florida Proposal to Establish a New Type I Campus.

BACKGROUND

As part of the extraordinary opportunity for UCF to develop an innovative living and learning environment that capitalizes on the economic, social, and cultural activity of downtown Orlando, UCF proposes a new UCF Downtown campus. The attached proposal outlines plans for UCF Downtown and the academic programs proposed for that location to accommodate student and program growth. The proposed programming builds on existing program strengths, partnership with Valencia College, and synergies with the Creative Village site.

Supporting documentation: Board of Governors, State University System of Florida Proposal to Establish a New Type I, II, or III Campus, or Special Purpose Center

Prepared by: Diane Chase, Executive Vice Provost

Submitted by: A. Dale Whittaker, Provost and Vice President for Academic Affairs

**BOARD OF GOVERNORS, STATE UNIVERSITY SYSTEM OF FLORIDA
PROPOSAL TO ESTABLISH A NEW TYPE I, II, OR III CAMPUS, OR SPECIAL
PURPOSE CENTER**

University of Central Florida

University Submitting Proposal

UCF – site ID 0017

Site ID

500 W. Livingston Street

Orlando, FL 32801

Physical Address of Educational Site

(US Site: address, city, state, zip) (International site: street address, number, city, county/province, country)

UCF Downtown

Proposed Name of Educational Site

Type I

Proposed Type of Educational Site

(Type I, II, or III Campus, or Special Purpose Center)

August 21, 2017

Proposed Opening Date

(First date and term student instruction will be offered at the site)

The submission of this proposal constitutes a commitment by the university that, if the proposal is approved, the necessary financial resources and the criteria for establishing or relocating an educational site have been met prior to the initiation of the first course offerings.

Date Approved by the University Board of Trustees

President**Date**

Signature of Chair, Board of Trustees

Date

Vice President for Academic Affairs

Date

Under Projected Enrollment, provide headcount (HC) and full-time equivalent (FTE) student enrollment estimates by level from Table 1 in Appendix A for Years 1 and 5, or the Final Year of implementation if it exceeds five. Under Projected Costs, provide revenues and expenses from Table 2 and capital project costs from Table 3 for Years 1 and 5, or the Final Year if it exceeds five.

Projected Site Enrollment* (from Table 1)			
		HC	FTE
Undergraduate	Year 1	73	56
	Year 5	4802	4014
Graduate	Year 1	127	89
	Year 5	250	168

Projected Costs (from Tables 3 and 4)				
Operational				
	E&G Funding	Other (Contracts & Grants, Auxiliary)	Capital Projects	Total Cost
Year 1	3,536,398	0	57,750,000	61,286,398
Year 2	29,074,901	10,539,438	77,717,324	117,331,663
Year 3	29,778,424	10,674,229	0	40,452,723
Year 4	30,297,841	10,988,047	0	41,285,888
Year 5	30,651,456	11,489,149	0	42,140,605

*These are UCF enrollment projections. See Table 1 for additional information on Valencia College enrollment projections.

Note: This outline and the questions pertaining to each section must be reproduced within the body of the proposal to ensure that all sections have been satisfactorily addressed. Tables 1 through 4 are to be included as Appendix A and not reproduced within the body of the proposals because this often causes errors in the automatic calculations.

For consideration and approval in concept by the UCF Board of Trustees, January 29, 2015.

I. Introduction

A. Provide a short description of the project and rationale for the request to establish an educational site, including the main purpose for this site (research, instruction, administration, student services, etc.).

The University of Central Florida, along with our educational partner, Valencia College, proposes to expand our downtown Orlando presence into a Type I campus that will focus on student instruction and services. The new campus will transform our current downtown offerings by relocating programs on our main campus to downtown. By doing so, we will create a world-class, best-in-the-nation site for learning emerging animation, digital media, communications, and film.

The Board of Governors has already conveyed UCF degree-granting authority on this site.

This expanded new campus will allow us to significantly enhance the academic experience for our students. The only programs that will move from our main campus to downtown are those that will better serve students' educational and workforce needs by being downtown. The university perceives UCF Downtown as a four-phase, long-term project to first incorporate academic programs focused on the site's existing strengths (arts and digital media), with the desire to add programs in the areas of health and public affairs, which would also benefit from synergies in the downtown location. This proposal covers the first two phases of the project.

The campus also will be home to an extremely inclusive pilot program that will provide opportunities for students with intellectual disabilities to achieve meaningful higher education credentials, prepare for future employment, and participate in all the resources and experiences available to UCF students.

Learning and Working Environments

The expanded new campus would be located on approximately 15 to 20 acres that are designated for higher education in downtown Orlando. Because of their downtown location, relocated programs will create industry and community partnerships not possible at our main campus.

For example, our Center for Emerging Media features the nation's second-ranked graduate video game design and development school, the Florida Interactive Entertainment Academy (FIEA). Working in partnership with local industry, FIEA graduates designers, programmers and digital artists with an 85 percent job placement rate and average salary of more than \$50,000 (Source: *Florida Interactive Entertainment Academy website*, <http://www.fiea.ucf.edu>).

Our proposal moves downtown those programs that will complement FIEA, such as digital media, film, and art. Located in downtown, these programs will prepare students for creative and high-tech careers in an environment that integrates learning and working.

The relocation of WUCF TV, Central Florida's public broadcasting station, to the new campus will provide opportunities that will be designed to launch downtown as a new national model. Additionally, the *Orlando Sentinel* and several other professional media outlets are located

within walking distance of our downtown campus. UCF and *Sentinel* leaders are working to determine how to leverage proximity to create enhanced learning and job opportunities for students in Journalism, Radio/Television, and Advertising/Public Relations. We expect that similar professional opportunities downtown will be made available to students in academic programs that could later relocate to the downtown campus, such as Public Affairs, Public Administration, Social Work, Criminal Justice, Legal Studies, Health Management Informatics, Communication Sciences and Disorders, and Urban and Regional Planning.

We know that students who gain practical experience while in college are more likely to land jobs in their fields upon graduation. More than 20,000 of our students engage in co-ops, internships, and service-learning projects annually. We expect these opportunities to significantly increase in downtown Orlando, which *Forbes Magazine* recently ranked as the No. 1 city in America for job growth.

Expanding UCF's Commitment to STEM

UCF awarded nearly 2,000 baccalaureate degrees in STEM fields in 2013-14, the second-largest number in the State University System. Through relocating programs downtown, we will open space to expand STEM on the main campus, with a strategic focus on engineering programs.

Due to space shortage, UCF currently houses academic programs in approximately 240,000 square feet of leased space near the main campus. Our downtown campus will allow us to use vacated space to expand our programs of strategic emphasis – and to house the 200 new faculty members we expect to hire in the next two years.

The downtown campus represents a “double win” for students: the programs that move will better serve students by being downtown while opening up space on the main campus for growth in STEM-related students and faculty.

Transforming Lives

Around the country, many great metropolitan downtowns have strong higher education presences. This opportunity in downtown Orlando – the nation's 13th fastest-growing city according to *Forbes* – will connect students with diverse businesses, government entities, and nonprofits.

Our history shows that UCF knows how to leverage location-based education to drive student success. It is why we built the Rosen College of Hospitality Management in the heart of Orlando's tourism industry and why nearly 90 percent of Rosen College undergraduates secure jobs before graduating.

UCF's expansion of our downtown Orlando campus is another extraordinary opportunity to develop an innovative learning and working environment for students. With more than 74,000 jobs downtown, the potential opportunities for students and graduates are tremendous.

UCF Downtown is the ideal example of how a university can shape not only the lives and livelihoods of its students, but also its community.

B. Provide a short narrative assessment of how the establishment of the educational site supports the university mission and the goals incorporated into the university strategic plan and Board of Governors State University System Strategic Plan.

The establishment of a new UCF Downtown Campus site will support the university's mission and strategic plan, as well as the Florida Board of Governors State University System Strategic Plan.

As part of the mission of UCF as a public, metropolitan, multi-campus entity, this expanded campus will endeavor to meet the economic, cultural, intellectual, and societal needs of the community. The campus will provide experience-based learning environments resulting in high quality, relevant, and broad-based education.

This effort will support three of UCF's five goals of the university.

- Goal 1 – To offer the best undergraduate education in Florida.
- Goal 4 – To become more inclusive and diverse.
- Goal 5 – To become America's leading partnership university.

It supports UCF's strategic plan by pioneering the next generation of educational initiatives and fostering an inclusive and respectful campus dedicated to providing opportunity and access for all students – regardless of their intellectual abilities. This expansion also will rely heavily on a living-learning environment, steeped in the creation of partnerships with public, private, and nonprofit entities aimed at the common goal of addressing pressing local, state, national and international issues. UCF Downtown will actively develop innovative learning communities that will enhance our cultural competency, promote student engagement in real world experiences, and better serve the needs of the central Florida city-state.

Finally, the UCF Downtown campus will advance the goals of the Board of Governors Strategic Plan for the State University System in the following ways.

- By promoting excellence in teaching and learning and increasing degree productivity and efficiency by partnering with Valencia through our DirectConnect to UCF program.
- The relocation of programs to the downtown Creative Village site will allow for several academic programs to be moved from currently leased space and for the expansion of Engineering and STEM strategic emphasis areas on to the main campus as programs move downtown.
- The expanded campus downtown will also enhance community and business engagement.

C. Provide a timetable of critical benchmarks that must be met for full implementation which can be used to monitor progress (planning, design, funding, construction, etc.). The timetable should also include ensuring

appropriate accreditation of the proposed educational site and any proposed programs requiring specialized accreditation, if required.

UCF's leadership team has been conceptualizing the downtown campus as a multi-phase project since May 2014. Together, with our consulting, community, educational, and business partners, the university has embarked on a comprehensive planning effort for UCF Downtown.

The following timeline documents work to date and expected benchmarks.

- October 2014 – Ongoing: Academic Program Planning for Phases I and II
- November 2014 – July 2017: Master Planning
- April 2015 – April 2016: Facilities Design
- June 2016 – July 2017: Construction of Phases I and II
- August 2017 – Phases I and II open for students and academic programs begin

UCF has verified that since the university already offers degree programs at two SACSCOC-approved educational sites downtown, including within the area of the proposed UCF Downtown enhancement, the expansion of activities is not considered to be a substantive change to the scope of UCF's accreditation and does not require additional SACSCOC reporting or approval. No programs with discipline accreditation are planned to move to the downtown campus during the first two phases of the project; thus, no additional notification to discipline accreditors is necessary at this time.

II. Need and Demand Assessment

A. Provide a detailed assessment of unmet local student demand for access to academic programs in the vicinity of the proposed educational site. Complete Table 1 in Appendix A to enrollment projections for unduplicated student headcount and FTE by degree program and level.

Through 2017, the Orlando region is projected to have the second-fastest employment growth in Florida with a 3 percent annual growth rate and the second-highest population growth rate at 2 percent (Source: *Florida and Metro Forecast – March 2014*, Institute for Economic Competitiveness, College of Business Administration, University of Central Florida). As the demand for degree attainment grows with the projected population increase, UCF is poised to meet these needs with its proposed downtown campus academic programs – in the areas of digital media, art, and communications – and its programs offered on the main campus.

UCF currently projects greater than 2 percent annual enrollment growth for the university through 2019-20. This projection is based on statewide and regional population growth projections, high school graduation projections, current student continuation rates, and semester-to-semester transition ratios. This growth rate has been applied to all programs expected at UCF Downtown, as listed in Appendix A, Table 1.

Degree attainment for the downtown area of Orlando is lower than the averages of the surrounding area. While downtown Orlando matches the U.S. figure, the degree attainment of that specific area lags behind the county and the city surrounding it. See Table 2A below. Downtown Orlando includes zip codes 32801 and 32805, as identified by the Downtown Development Board. UCF Downtown will increase access to educational opportunities for downtown Orlando and nearby residents, helping to meet our region's growing demand for degree attainment.

Table 2A: Degree Attainment At Different Scales

2012 Degree attainment	Percentage
United States	28.8%
Florida	26.4%
Orange County, FL	30.1%
Orlando, FL	32.9%
Downtown Orlando, FL	28.8%

Sources: <http://quickfacts.census.gov/qfd/index.html> and Census Bureau report

B. Provide a detailed data-driven assessment that describes unmet local and regional workforce need for programs and services to be offered at the proposed educational site. In the appendices, provide letters of support from the local community and business interests.

Employment demand is strong and growing fast in the Orlando region. UCF proposes the relocation of additional digital media, art, and communications-related programs to UCF Downtown. It does so with support from the City of Orlando, whose letter is attached in Appendix B, and details the City's contributions toward the downtown campus.

In May 2013, the U.S. Bureau of Labor Statistics released its Metropolitan and Nonmetropolitan Area Occupational Employment and Wage Estimates for the Orlando-Kissimmee-Sanford, Florida metropolitan statistical area. The report includes a Location Quotient figure detailing the ratio of the area concentration of occupational employment to the national average concentration. The majority of the fields with academic programs proposed for UCF Downtown exceed the national average, indicating a greater than average regional employment opportunity in that field – with fine arts more than tripling the national average and film and video editing twice exceeding it. Details by major and sub-field can be found in Table 2B below.

Table 2B: Area Concentration of Occupational Employment

Occupation title and code	Location quotient	Annual mean wage
Public relations specialists (27-3031)	0.86	\$57,090
Radio and television announcers (27-3011)	1.27	\$56,170
Reporters and correspondents	1.29	\$51,280

(27-3022)		
Multimedia artists and animators (27-1014)	0.97	\$49,480
Arts, design, entertainment, sports, and media occupations (27-0000)	1.23	\$42,530
Fine artists, including painters, sculptors, and illustrators (27-1013)	3.44	\$37,030
Film and video editors (27-4032)	2.09	\$32,390

Source: May 2013 Metropolitan and Nonmetropolitan Area Occupational Employment and Wage Estimates: Orlando-Kissimmee-Sanford, FL program, U.S. Department of Labor, U.S. Bureau of Labor Statistics

Additionally, two of the fields (multimedia artists and animators and public relations specialists) are included on the 2014-15 Regional Demand Occupations List for the local counties of Lake, Orange, Osceola, Seminole, and Sumter counties, as indicated in an annual report released by the Florida Department of Economic Opportunity (Workforce Region 12). The two fields also qualified for the “High Skill/High Wage” designation with mean wages in excess of \$21.03 hourly and entry wage in excess of \$13.42 hourly. Public relations specialists are also listed as an Enterprise Florida, Inc. targeted industry.

These programs are expected to remain in demand. The U.S. Department of Labor’s Bureau of Labor Statistics projects a 7 percent increase in the major occupation field of Arts, Design, Entertainment, Sports, and Media through 2022. Additional projections of sub-fields can be found in Table 2C below.

Table 2C: Percent Increases in Occupation Fields

2012 National Employment Matrix title and code	Percent change, 2012-22
Arts, design, entertainment, sports, and media occupations (27-0000)	7.0%
Artists and related workers (27-1010)	5.3%
- Fine artists, including painters, sculptors, and illustrators (27-1013)	3.8%
- Multimedia artists and animators (27-1014)	6.3%
Media and communication workers (27-3000)	8.3%
- Public relations specialists (27-3031)	12.0%

Source: Employment Projections program, U.S. Department of Labor, U.S. Bureau of Labor Statistics

III. Academic Programs and Courses

- A. Provide a list of the degree programs, partial programs, or college credit certificates and courses to be offered at the proposed educational site by year five or the Final Year of implementation if different, using Table 1 in Appendix A. The proposed degree programs must be identified by six-digit CIP Code, by program title, and degree level.**

Programs currently offered in their entirety at the downtown location (in the Center for Emerging Media) are at the graduate level and include:

M.S. in Interactive Entertainment (50.0102)
 M.A. in Digital Media (50.0102)
 M.F.A. in Emerging Media (50.0702)

Undergraduate course offerings also are available in art, digital media, and film.

The following programs are proposed for Phases I and II at UCF Downtown:

Florida Interactive Entertainment Academy

M.S. in Interactive Entertainment (50.0102)

School of Visual Arts and Design

B.A. in Art (50.0701)
 B.F.A. in Art (50.0702)
 B.A. & B.F.A. in Film (50.0602)
 B.A. in Digital Media (50.0102)
 M.A. in Digital Media (50.0102)
 M.F.A. in Emerging Media (50.0702)

Nicholson School of Communication

B.A. in Advertising/Public Relations (09.0903)
 B.A. in Human Communication (09.0101)
 B.A. in Journalism (09.0401)
 B.A. in Radio/Television (09.0701)
 M.A. in Communication (09.0102)
 Graduate Certificate in Corporate Communication (09.0102)

College of Education and Human Performance

Ph.D. in Education, Track in Exceptional Education (13.0101)

We anticipate adding additional programming in subsequent phases following further analysis of potential student, university, and community benefits; as such programs were referenced in this proposal's introduction.

- B. Provide an explanation as to how the proposed degree programs and courses will be affiliated with similar programs offered on the central campus and/or**

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For consideration and approval in concept by the UCF Board of Trustees, January 29, 2015.

other educational sites of the university. Will they be independent or an extension of existing programs? (Please see BOG regulation 8.011 (5))

The degree programs proposed for the UCF Downtown campus are either currently offered at that location (e.g. M.S. in Interactive Entertainment, M.A. in Digital Media, and M.F.A. in Emerging Media) or will be relocated from the UCF main campus to UCF Downtown. Select courses within the general education program will be offered on both campuses to meet student need and graduation requirements, as we do now on the campus of our Rosen College of Hospitality Management (see below).

In conjunction with UCF Downtown, UCF plans to expand enrollment to include a group of students with intellectual disabilities. This educational opportunity is needed in Central Florida and will provide valuable educational experience for graduate students enrolled in existing exceptional education degree programs at UCF.

C. Provide an assessment, supported with data, that justifies any duplication of degree programs and services that might already be provided by an existing state university or Florida College System campus in the vicinity of the proposed educational site. Describe any discussions that have taken place with affected colleges and universities and provide letters of support or letters of concern in the appendices.

Degree programs and services will not be duplicated.

Valencia College, a proposed partner in the downtown campus, will initially offer A.S. programs and support students participating in DirectConnect to UCF (see attached letter of support from Valencia College in Appendix C). In addition to Valencia general education offerings, UCF will offer a limited and streamlined selection of general education courses downtown as another option for UCF Downtown Campus FTIC students. UCF students may also supplement their education with UCF online offerings and UCF main campus offerings. A limited number of courses in the program areas being relocated to UCF Downtown will continue to be offered at the UCF main campus in Orlando as a service to other majors (e.g., speech).

IV. Administration and Student Support Services

A. Describe the administrative structure of the proposed educational site and how it will relate to the central administration of the university. Include any necessary funding in the financial plan outlined in Table 2 of Appendix A.

The UCF Downtown campus will be part of Academic Affairs led by the Provost and Vice President of Academic Affairs. We are not creating a separate administrative structure. For example, an administrator who leads one of the academic programs assigned to UCF

Downtown will provide oversight for the daily operational aspects of all entities housed on the campus providing coordination, communication, and collaborative leadership.

All faculty members assigned to UCF Downtown will report to department chairs and deans of academic colleges. Student support services will be aligned to the division of Student Development and Enrollment Services (SDES) within Academic Affairs. Staff members will report to their department directors with oversight provided by an existing senior-level SDES administrator to coordinate activities and services, and to create a commitment to operational excellence. The offices of safety, security, physical plant, facilities, business services, and other operational functions will similarly report to the leadership of their respective entities in the central administration of the university.

B. Describe how the proposed site will provide student services, either onsite or online from the central university campus.

Student Services Center

Comprehensive student services will be collectively integrated and representative of all students and academic support services available to other students on its UCF campuses. The Office of Student Services will be an extension of all SDES functional services. It will also support the services of academic colleges and other academic-support units, including DirectConnect to UCF, library services, undergraduate research, experiential learning, and other offices. Furthermore, where feasible, co-location and shared services and staff with Valencia College will enhance and strengthen these partnership initiatives, promoting student success, retention, progression, and graduation. Startup costs will be absorbed in the university's existing budget.

The proposed Student Services Center will serve as a one-stop service center comprised of key student services departments to provide exceptional "front door" customer service and to promote a seamless transition between Valencia College and UCF. It will be reflective of the dynamic and innovative campus environment of the downtown community. It will also be student centered with intentionally designed state-of-the-art technologies to provide innovative means of communications and services. The Student Services Center will be staffed by full-time staff and supplemented with cross-functional trained frontline staff serving as generalists. Student ambassadors along with work-study and graduate assistants will respond to questions and issues that students cannot resolve through online or Web services. Staff will be accessible at non-traditional hours of operation to accommodate students' needs. They will also be equipped with the technology required to access data bases, student records, and systems that are vital to resolve students' questions.

Intellectual Disabilities

UCF also is committed to designing and implementing an inclusive and comprehensive postsecondary program for students with intellectual disabilities who could not traditionally access the opportunities that a college educational experience provides. This program will have

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For consideration and approval in concept by the UCF Board of Trustees, January 29, 2015.

a vital presence on both the main UCF campus location and UCF Downtown campus by connecting with the wide array of resources and community experiences. The purpose of this program is to seamlessly immerse students with intellectual disabilities in the university academic and campus life culture. This program will provide students an opportunity to participate in a vast option of courses, have access to campus resources, participate in internships and/or job experiences, and engage in peer mentoring, all of which are the types of experiences available to any enrolled UCF student.

In addition to the benefit for students with intellectual disabilities, many UCF students in other degree programs will benefit from the hands-on experiences the intellectual disability program will offer to its enrolled students. As example, students in the existing UCF Education-Exceptional Education PhD Track and Communicative Sciences and Disorders, Physical Therapy, and Social Work programs can benefit from the unique opportunity the intellectual disability program will offer our campus community. Online and on-site educational resources will be available through this newly developed program that will serve as a clearinghouse for parents and communities.

Student Outreach Services

The existing office of Student Outreach Services attracts, motivates, and prepares underrepresented middle and high school students from the local area to pursue and to complete a college education. A variety of opportunities and programs for students from grades 6 through 12 and their families are designed to assist in the navigation of the college admissions, financial assistance, and career preparedness processes.

Students and parents engage in monthly enrichment activities, college campus visits, brain bowl competitions, academic skills workshops, leadership development forums, community service projects, and career exploration modules. Parents are encouraged to participate and engage in all aspects of the university's programming because they are an integral part of the planning and because they provide a key ingredient to developing the support structure necessary for students to be successful. It is anticipated that the Office of Student Outreach Services will be relocated to UCF Downtown to fulfill the university's commitment to be in the community and of the community.

The staffing structure of the Student Support Services will be as follows.

An existing senior-level SDES administrator (.5 FTE) will provide oversight for staff, facilities, academic college liaison, Valencia College partnership liaison, communication, and collaboration working with the administration of the downtown campus.

The UCF Downtown project will require the following staffing that totals 10.0 FTE.

1. Financial aid, full-time coordinator
(49K - 1.0 FTE)
2. Undergraduate admissions, full-time coordinator
(49K - 1.0 FTE)

3. Registrar, academic services, and veteran services, shared full-time coordinator (49K – 1.0 FTE)
4. Career readiness (career development, employability, and internships) shared full-time coordinator (45.5K –1.0 FTE)
5. Intellectual disabilities, full-time director (100K- 1.0 FTE)
6. Support services, part-time staff (91K -2.0 FTE)
 - a. Generalist for counseling (32K – .5 FTE), disability-accessibility and testing services (23K – FTE .5), Student Rights and Responsibilities (23K – FTE .5), and Learning support Services (23K --.5 FTE)
 - b. Volunteer UCF will relocated to UCF Downtown and a Civic Engagement Center will be created to include engagement and involvement, leadership, service learning (transfer of existing position)
 - c. The Office of Student Outreach Services will relocate to UCF Downtown and three existing positions will be transferred there.
 - d. Orientation staff will facilitate orientations as required (existing staff).
7. Pre-advising and academic coaching, full-time staff (46K – 1.0 FTE)
8. Clerical staff, two full-time positions (64K – 2.0 FTE)

Total Personnel Cost \$493,000.

Space in the Student Services Center will be required for the eight full-time and four part-time positions listed above. Testing, tutoring, math, writing, supplemental instruction, and study spaces will also be considered. Private spaces will be required for counseling and disability-accessibility intakes. Services will be enhanced as the campus develops. The integration into UCF Downtown of the Health Services unit along with the Recreation and Wellness Center will be determined at a later date.

Safety and Security

For the safety and security of our students, faculty, and staff, the university will provide a UCF Police Department presence in UCF Downtown. The downtown force will be supported by the university's existing command structure, dispatch, motor pool, and financial operations. The downtown staffing will consist of 15 police officers providing service seven days a week and 24 hours a day. Staffing will include two clerical staff members, a technical staff person for cameras, electronic locking systems, and communications gear, and four hourly employees to monitor security cameras.

The specific spaces and square footage requirements for the police force are as follows.

- Briefing room 500 square feet
- Administration office 145 square feet
- Staff office 120 square feet

- Interview room 80 square feet
- Technical room 120 square feet
- Supply room 120 square feet
- Restrooms 200 square feet

The total square-footage requirement is 1,285 square feet.

The briefing room will be the general meeting space for the patrol officers at shift change, as well as for meetings with the Orlando police and other constituencies. The administration office will be used by the shift officer in charge of the downtown operations, and the staff office will be for administrative support overall. The interview room will be used in questioning suspects or other interviews where privacy is important. The technical room will include equipment and work space devoted to maintaining the downtown campus electronic locking systems, cameras, and communications gear that will include emergency notification systems. The supply room will be for all supplies and will include a secure evidence locker and a gun locker. Two restrooms will be needed, one for public use and one for the police officers with lockers and a shower.

Salary and benefits are estimated to be \$1,425,000. The expense of vehicles, equipment, and training will come from existing budgets.

Additionally, security will be enhanced through the strategic placement of cameras and “blue light” emergency telephones, and doors will utilized an electronic access control system. A public safety distributed antenna system will ensure complete campus coverage of public safety (police and fire) radio frequencies. Electronic signage will facilitate downtown campus communication, wayfinding, and emergency notification.

C. Provide a plan to provide library services and other instructional resources that will support the proposed programs. Include any necessary funding in the financial plan outlined in Table 2 of Appendix A.

Library Services and Resources for the UCF Downtown Campus

The UCF Downtown Library will offer facilities, services and resources to support the needs of students, faculty, and the surrounding community. These services and resources will align with the guiding principles of UCF Downtown, and grow over time as needed to support the expanding population of students, program offerings, and university partnerships. Most library resources will be available in electronic formats; however, a core collection of essential print materials will also be provided. A courier between the downtown and main campuses will provide downtown students with ready access to materials held at the main campus. Interlibrary loan services will make available to downtown students for items held in any academic library. Ubiquitous access to mobile devices and high-speed wireless networks will permit students and faculty to access electronic library resources in both interior and exterior spaces throughout the downtown campus and beyond.

On-site library services and facilities will include the following.

- Reference, Research & tutoring consultation
- Instruction
- Digital production lab
- Technology Lending
- Circulation
- Interlibrary Loan
- Courier
- Student Lockers

Telecommunications and IT Resources for UCF Downtown

UCF Downtown will be connected to the main UCF campus via redundant fiber optic circuits, delivering 10 gigabits/second data speeds, upgradeable to 100 gigabits/second in the future. These fiber optic circuits will also provide UCF downtown with commodity Internet service and access to Florida LambdaRail and Internet2. All campus spaces will be equipped with gigabit speed wired network service. High-speed WiFi service will be ubiquitous in both interior and exterior spaces.

UCF Downtown will emphasize mobile, wireless technology enabling students, faculty, and staff to have immediate access to instructional and information resources at any time, and any location. Mobile devices of all types (smartphones, tablets, laptops) will be supported, and will provide access to information, collaboration tools, and unified communication services. All instructional spaces will have high-density wireless coverage, enabling every student in a classroom, auditorium, or laboratory to have a fully functional wireless connection.

IT services for UCF Downtown will operate on a shared services model, with equipment and services supported from the main campus Shared Services Center. A very limited set of redundant servers will be housed in the main Telecom distribution room, to provide on-site redundancy for critical services such as Active Directory and DHCP so that basic downtown network services can continue to function in the event of a loss of external network services. IT staff supporting UCF Downtown will be divided between the downtown and main campuses, with downtown staff providing direct support to students and faculty members, and main campus staff supporting the “back-end” shared services utilized by the downtown campus.

UCF Downtown students, faculty, and staff will utilize the university’s Unified Communications system (voice, video, and data over IP, Lync, voicemail, etc.), PeopleSoft business systems, Exchange email service, and Canvas learning management system, ensuring that all core network services are available to UCF students and faculty members at all UCF locations.

V. Budget and Facilities

- A. Provide a projected operational budget using Table 2 in Appendix A that includes revenues and expenses out to year five, or the final year of implementation if different. Provide a narrative that explains the cost**

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For consideration and approval in concept by the UCF Board of Trustees, January 29, 2015.

assumptions reflected in Table 2. Include the operational costs on the proposal cover page.

The UCF Downtown campus projected operational budget is set forth in Appendix A, Table 2. Year 1 includes ongoing campus planning and anticipated completion of the first of two buildings, as shown in Appendix A, Table 3.

The operational budget beginning in Year 2 reflects full occupancy of both buildings, as shown in Appendix A, Table 3. Tuition and fee revenue assumes student enrollment of approximately 4,500 undergraduate UCF students, 230 graduate, professional and certificate UCF students. Other projected revenue includes UCF's current recurring downtown campus state appropriation of \$2,000,000, existing general appropriations of \$2,000,000 and an anticipated physical plant new space appropriation of \$3,600,000. Additional revenue sources designed to support the downtown campus include state and private grants, community donations and other miscellaneous revenue. Non-appropriation revenue sources are projected to increase approximately 2 percent per year for the first five years of operation.

The UCF Downtown campus expenditures are projected based on existing costs. Faculty and academic costs associated with the programs relocating to downtown are included in compensation and employee benefits, equipment, contractual services, and other operating expenses using existing costs per student credit hour in those academic departments. Existing operational costs for WUCF TV and WUCF-FM radio also are included. Incremental costs for security and safety, telecommunications, instructional IT resources, and student support services are included based upon assumptions described in Section IV B and C.

Financial aid for the downtown campus is estimated to be consistent with current average institutional awards. Plant operations and maintenance costs are estimated based on current state formulas for utilities, operations and maintenance of two new buildings described in Appendix A, Table 3. Library costs for the downtown campus are based on the plan provided in Section IV C.

Local fees that support auxiliary services, including transportation, health services, and student activities will be transferred to the applicable auxiliary to allow for those areas to provide student services to the downtown campus. These expenditures are reflected in Appendix A, Table 2 as a transfer to auxiliaries. Main campus support from administrative areas, such as human resources, purchasing, finance and accounting, compliance ethics and risk management, general counsel etc. as well as main campus Academic Affairs support is reflected as shared services on Appendix A, Table 2. Operating expenses are projected to increase 2 to 3 percent per year to support the anticipated enrollment growth in the first five years of operation.

- B. Use Table 3 in Appendix A, to identify each facility or facilities required to establish the proposed educational site, and any additional facilities that will be required once the site has reached its expected size and enrollments. Include capital facility costs on the proposal cover page.**

See detailed information requested in Appendix A, Table 3.

- C. Describe ownership of the new location and provide documentation of ownership or lease agreements, to include any special clauses, easements, or deed restrictions. If the property is a gift, provide the gift agreement. Please provide information on the type of ownership if the site is leased or owned (if leased please provide information on the duration of the lease and the entity that owns the lease). If the site is joint-use please provide the name of the other entity in the joint agreement as well as the total number of students this site will serve from year 1 through year 5.**

Contingent upon the approval for the UCF Downtown expansion by the Florida Board of Governors, the City of Orlando will provide 15-20 acres of land, valued at \$20-22 million and within the Creative Village, to UCF at a zero-dollar land cost. This property is located south of the realigned Livingston Street, east of North Parramore and north of Florida Central Railroad tracks. The property transferred will be used for educational purposes or will revert to the city.

Moreover, the city will transfer title of the UCF Center for Emerging Media facility, located at 500 W. Livingston Street and valued at \$22.5 million, to the UCF Foundation. The city will execute this transaction at any time, subject to the customary land closing requirements.

The agreements and further details of ownership and facilities documentation are outlined in Appendix B.

- D. Are the facilities owned or leased by the University?**

☒ **Owned** (*See Appendix B for details.*) ☐ **Leased**

VI. Addendum for International Campuses and Special Purpose Centers

If the proposed site is international, include a copy of any MOU or other agreements related to the site as an appendix

(X) The University certifies that all requirements of BOG Regulation 8.009(3)(f) have been met.

UCF Downtown Proposal for Florida Board of Governors

Appendix A

Tables 1-3

APPENDIX A - UCF Downtown

TABLE 1

UCF DEGREE PROGRAMS PLANNED AND PROJECTED ENROLLMENTS*
(Fall Headcount and FTE)

CIP Code	Baccalaureate Degree Program Title	Degree Level	Year 1 - 2016		Year 2 - 2017*		Year 3 - 2018		Year 4 - 2019		Year 5 - 2020	
			Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE
09.0101	Human Communication	B	0	0	764	631	779	644	795	657	811	670
09.0401	Journalism	B	0	0	282	250	288	255	294	260	300	265
09.0701	Radio/Television	B	0	0	523	457	534	467	544	476	555	485
09.0903	Advertising/Public Relations	B	0	0	541	478	552	488	563	498	574	508
50.0102	Digital Media	B	0	0	849	661	866	674	883	688	901	702
50.0602	Film (B.A. and B.F.A.)	B	0	0	523	466	534	475	544	485	555	494
50.0701	Art (B.A.)	B	0	0	411	313	419	319	427	326	436	332
50.0702	Art (B.F.A.)	B	73	56	631	525	644	536	657	547	670	557
xxxx	xxxxxxxxxx	B	0	0	0	0	0	0	0	0	0	0
TOTAL BACCALAUREATE			73	56	4525	3782	4615	3858	4708	3935	4802	4014

CIP Code	Master's Degree Program Title	Degree Level	Year 1 - 2016		Year 2 - 2017*		Year 3 - 2018		Year 4 - 2019		Year 5 - 2020	
			Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE
09.0102	Communication	M	0	0	58	44	59	45	60	46	62	47
50.0102	Digital Media M.A. and Interactive M.S	M	127	89	129	91	132	93	134	95	137	97
50.0702	Emerging Media	M	0	0	34	19	35	19	35	20	36	20
xxxx	xxxxxxxxxx	M	0	0	0	0	0	0	0	0	0	0
TOTAL MASTER'S			127	89	221	154	225	157	230	160	235	163

CIP Code	College Credit Certificate Program Title	Course Level	Year 1 - 2016		Year 2 - 2017*		Year 3 - 2018		Year 4 - 2019		Year 5 - 2020	
			Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE
09.0102	Corporate Communication	G	0	0	10	4	12	4	14	4	15	5
xxxx	xxxxxxxxxx	UG	0	0	0	0	0	0	0	0	0	0
TOTAL CERTIFICATE			0	0	10	4	12	4	14	4	15	5

* In addition to UCF programs and enrollments, Valencia College anticipates an additional 2,000 students in two A.S. programs at the location starting Year 2.

Edition 06/23/14

APPENDIX A - UCF Downtown

TABLE 2

SUMMARY FINANCIAL PROJECTIONS TO FULL IMPLEMENTATION

Fiscal Year Ending June 30		Year 1	Year 2	Year 3	Year 4	Year 5
General Operations Revenues		2016-17	2017-18	2018-19	2019-20	2020-21
Carry Forward from Prior Year		0	0	274,105	355,515	262,363
General Revenue/Lottery						
	State Allocations (GR/Lottery) - Existing	2,000,000	4,000,000	4,000,000	4,000,000	4,000,000
	State Allocations (GR/Lottery) - Physical Plant New Space	1,536,398	3,603,981	3,603,981	3,603,981	3,603,981
Tuition/Tuition Differential and Fees						
	Tuition (Matriculation)	0	13,745,256	14,020,161	14,300,564	14,586,576
	Tuition (Differential, 70% UG Support)	0	3,359,341	3,426,528	3,495,058	3,564,960
	Out of State Student Tuition Fees	0	2,926,605	2,985,137	3,044,840	3,105,737
Research Trust Funds (by title)						
	XYZ Trust Fund	0	0	0	0	0
Financial Aid and Academic Related Fees						
	Financial Aid	0	585,263	596,968	608,908	621,086
	Tuition (Differential, 30% Financial Aid)	0	1,439,718	1,468,512	1,497,883	1,527,840
	Out of State Financial Aid	0	177,116	180,658	184,271	187,957
	Student Technology Fee	0	616,067	628,388	640,956	653,775
	Student Distance Learning Fee	0	0	0	0	0
	Other Fees (Material/Supply), Facility/Equipment, etc.)	0	0	0	0	0
Other Revenues						
	Capital Improvement Fee	0	760,176	775,380	790,887	806,705
	Transportation Access Fee	0	1,023,313	1,043,779	1,064,655	1,085,948
	Health Fee	0	1,218,980	1,243,360	1,268,227	1,293,591
	Athletic Fee	0	1,610,313	1,642,519	1,675,370	1,708,877
	Activity & Service Fee	0	1,312,315	1,338,561	1,365,333	1,392,639
	State and Private Grants	0	915,000	933,300	951,966	971,005
	Donations and Other Miscellaneous Revenue	0	2,595,000	2,646,900	2,699,838	2,753,835
Total Revenues		3,536,398	39,888,444	40,808,238	41,548,251	42,126,875
General Operations Expenses						
	Compensation and Employee Benefits	320,000	18,604,372	18,976,459	19,355,989	19,743,109
	Financial Aid, Scholarships, Stipends	0	2,500,000	2,550,000	2,601,000	2,653,020
	Plant Costs and Operating Supplies	1,536,398	3,603,981	3,676,061	3,749,582	3,824,573
	Library Services/e-Collections	0	447,375	492,296	507,695	523,588
	Equipment	0	552,356	581,526	598,758	616,570
	Contractual Services	1,500,000	757,941	773,100	788,562	804,333
	Shared Services	0	1,964,273	2,003,558	2,043,630	2,084,502
	Incremental Shared and/or Contractual Services Costs	0	2,955,470	3,004,500	3,075,404	3,152,129
	Other Operating Expense	180,000	1,687,407	1,723,235	1,759,842	1,797,246
	Transfer to Auxiliaries	0	6,541,164	6,671,987	6,805,427	6,941,536
Total Expenses		3,536,398	39,614,339	40,452,723	41,285,888	42,140,605
Operating Net Revenues Over Expenses		0	274,105	355,515	262,363	-13,731

Board of Trustees Meeting - Items

**Appendix A - UCF Downtown
Table 3**

STATE UNIVERSITY SYSTEM								Page 1 of 1	
CIP-3 SHORT TERM PROJECT EXPLANATION									
GEOGRAPHIC LOCATION: (campus name & city)				UCF Downtown, Orlando		COUNTY: Orange			
PROJECT DESCRIPTION/TITLE:				UCF Downtown		PROJECT BR No. (if assigned):			
Facility/Space Type	Net Area (NASF)	Net to Gross Conversion	Gross Area (GSF)	Unit Cost (Cost/GSF)*	Construction Cost	Assumed Bid Date	Occupancy Date		
Classrooms	63,715	1.5	95,573	\$253.22	\$24,200,868	May-16	Jul-17		
Teaching Labs	44,335	1.5	66,503	\$240.13	\$15,969,245				
Research Labs	39,779	1.5	59,669	\$375.00	\$22,375,688				
Study	5,593	1.4	7,830	\$214.89	\$1,682,632				
Instructional Media	41,979	1.5	62,969	\$206.60	\$13,009,292				
Auditorium/Exhibition	6,406	1.2	7,687	\$275.00	\$2,113,980				
Gymnasium	0	1.2	0	\$195.59	\$0				
Student Academic Support	9,000	1.5	13,500	\$189.92	\$2,563,920				
Offices	26,632	1.5	39,948	\$249.56	\$9,969,423				
Campus Support Services	20,594	1.4	28,832	\$223.29	\$6,437,808				
Totals	258,033		382,509		\$98,322,856				
*Apply Unit Cost to total GSF based on primary space type									
Remodeling/Renovation	0		0		\$0				
Total Construction - New & Rem./Renov.					\$98,322,856	Total	0	Total	0
Space Detail for Remodeling Projects									
BEFORE				Net Area (NASF)		AFTER			
Space Type n/a				0		Space Type n/a			
						Net Area (NASF) 0			
						</			

* This table includes estimates for the combined project, which involves a joint-use facility with Valencia College.

CIP-3

UCF Downtown Proposal for Florida Board of Governors

Appendix B

City of Orlando Letter & Documentation



CITY OF ORLANDO

OFFICE OF
BUDDY DYER
MAYOR

January 26, 2015

Dr. John Hitt
President
University of Central Florida
P.O. Box 160002
Orlando, FL 32816-0002

Dear Dr. Hitt,

The City of Orlando is pleased to commit to assist in facilitating the expansion of the University of Central Florida in Downtown Orlando within the Creative Village area. Given the long-term economic benefits of a major investment in education within the Downtown core, and contingent upon approval for the Downtown expansion from the State of Florida Board of Governors, the City is prepared to affirm its role as a contributor of property toward this effort.

The City will stand behind its obligation to transfer title of the UCF Center for Emerging Media facility, located at 500 W. Livingston Street, to the University of Central Florida Foundation, Inc. The facility is valued at approximately \$22.55 million. Our commitment to this action was memorialized in the Expo Centre Lease Agreement dated October 12, 2004 (attached). The City is prepared to execute this transaction at any time that UCF is ready to move forward, subject to all customary requirements of a land closing.

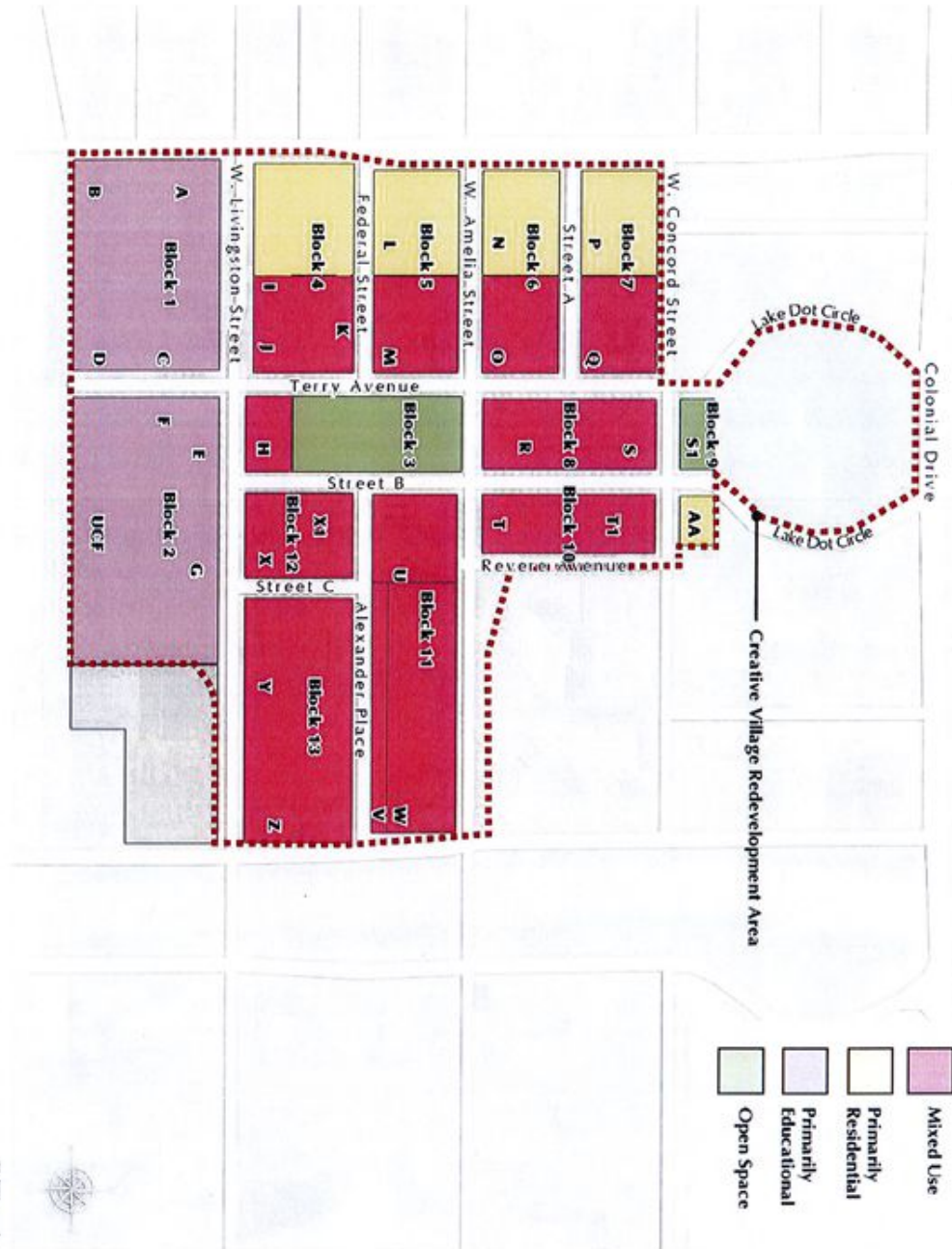
In addition to previous commitments, the City will pursue all necessary modifications to the Creative Village Master Development Agreement and Purchase Option Agreement in order to provide the 15+/- acres of educational lands, valued at \$20-22 million, within the Creative Village development to UCF at a zero-dollar land cost. These lands, generally located south of realigned W. Livingston Street, east of N. Parramore Avenue, and north of the Florida Central Railroad tracks, are shown and described in the PD zoning ordinance in Exhibits E and F (attached). Modifications to these agreements will require City Council approval, and if the City is successful in modifying the agreements, as part of the ultimate transfer of the educational lands to UCF, the deed will include a reverter clause, consistent with the language on the same matter contained within the Expo Centre Lease Agreement, which will require the property transferred to be used for educational purposes or title to the property will revert to the City.

We look forward to working with you throughout this exciting endeavor.

Sincerely,

Mayor Buddy Dyer

EXHIBIT E: LAND USE PLAN



Conceptual Block / Land Use Plan

February 2012

EXHIBIT F: LAND USE CHART

	BLOCK 1	BLOCK 1	BLOCK 1	BLOCK 1	BLOCK 2	BLOCK 2	BLOCK 2	BLOCK 2	BLOCK 3	BLOCK 3
Planned Acres per block	5.22				7.24				2.83	
Parcels	A	B	C	D	E	F	G	UCF	H	PARK
Maximum building height	75	75	150	150	200	200	200	200	200	75
Underlying Zoning	AC-2	AC-2	AC-2	AC-2	AC-2	AC-2	AC-2	AC-2	AC-2	P
Permitted Uses:										
Education	P	P	P	P	P	P	P	P	P	
Office	P	P	P	P	P	P	P	P	P	
Retail/Commercial					P	P	P	P	P	
Residential	P	P	P	P	P	P	P	P	P	
Hotel										
Park/Open Space	P	P	P	P	P	P	P	P	P	P
Support Facilities	P	P	P	P	P	P	P	P	P	P
Footnotes	2, 7	1, 7	1, 7	1, 7, 10				9	9	4

	BLOCK 4	BLOCK 4	BLOCK 4	BLOCK 5	BLOCK 5	BLOCK 6	BLOCK 6	BLOCK 7	BLOCK 7	BLOCK 8	BLOCK 8
Planned Acres per block	3.61			3.08		2.8		2.79		2.64	
Parcels	I	J	K	L	M	N	O	P	Q	R	S
Maximum building height	75-150	200	75 - 200	75-100	200	75-100	200	75-100	200	300	200
Underlying Zoning	MXD-2	AC-2	MXD-2	MXD-2	AC-2	MXD-2	AC-2	MXD-2	AC-2	AC-2	AC-2
Permitted Uses:											
Education		P			P		P		P	P	P
Office		P			P		P		P	P	P
Retail/Commercial		P			P		P		P	P	P
Residential	P	P	P	P	P	P	P	P	P	P	P
Hotel										P	P
Park/Open Space	P	P	P	P	P	P	P	P	P	P	P
Support Facilities	P	P	P	P	P	P	P	P	P	P	P
Footnotes	3, 5, 6		3, 5, 6	3, 5, 6		3, 5		3, 5			

	BLOCK 9	BLOCK 10	BLOCK 10	BLOCK 11	BLOCK 11	BLOCK 11	BLOCK 12	BLOCK 12	BLOCK 13	BLOCK 13	BLOCK 14
Planned Acres per block	0.52	1.58		5.03			1.54		4.78		0.34
Parcels	S1	T	T1	U	V	W	X	X1	Y	Z	AA
Maximum building height	75	225	200	225	200	200	400	400	400	400	75
Underlying Zoning	P	AC-2	AC-2	AC-2	AC-2	AC-2	AC-2	AC-2	AC-2	AC-2	MXD-2
Permitted Uses:											
Education		P	P	P	P	P	P	P	P	P	
Office		P	P	P	P	P	P	P	P	P	
Retail/Commercial		P	P	P	P	P	P	P	P	P	
Residential		P	P	P	P	P	P	P	P	P	P
Hotel		P	P	P	P	P	P	P	P	P	
Park/Open Space	P	P	P	P	P	P	P	P	P	P	P
Support Facilities	P	P	P	P	P	P	P	P	P	P	P
Footnotes	1								8		5

1 Ancillary retail/commercial space allowed

2 Existing Recreation Center shall remain unless an alternate facility is available.

3 The height limit shall be 75 feet facing Parramore Ave for a distance of 150 feet from the block face, and shall transition up to a maximum of 200 feet facing Terry Ave.

4 Lot H faces three Primary Streets and a park. The site plan and building elevations shall treat all four sides of the building as primary facades.

5 Up to 0.35 FAR total non-residential uses are allowed as a secondary use. This includes education, office, and/or ground floor retail/commercial.

6 Existing Tennis Courts shall remain unless an alternate facility is available.

7 At the time the first building on Block 1 is proposed for development, a Master Plan for the entire Block 1 shall be submitted and reviewed to ensure that all uses on Block 1 continue to function adequately.

8 Existing Bob Carr Performing Arts Center shall remain until Stage II of the new Dr. Phillips Center for the Performing Arts is operational.

9 Suitable alternative parking shall be made available to UCF within the CV site, as redevelopment of the surface parking area leased to UCF proceeds.

10 Existing Nap Ford School shall remain unless an alternate facility is available.

EXPO CENTRE LEASE AGREEMENT

THIS LEASE AGREEMENT is made and entered into this 12th day of October, 2004, by and between the **City of Orlando, Florida**, a municipal corporation organized and existing under the laws of the state of Florida (hereinafter referred to as the "CITY"), the **University of Central Florida**, on behalf of its Board of Trustees, for the benefit of the UCF School of Film & Digital Media and the UCF Florida Interactive Entertainment Academy (hereinafter referred to as "UCF"), the **University of Central Florida Foundation, Incorporated**, a Florida not for profit and 501 ©(3) corporation, (hereinafter referred to as the "Foundation"), and the **Community Redevelopment Agency of the City of Orlando**, a special taxing district organized under the laws of the State of Florida (hereinafter referred to as "CRA").

WHEREAS, the City-owned and operated Expo Centre in downtown Orlando is an underutilized facility that has been operating at a deficit and is in need of renovation and redevelopment; and

WHEREAS, UCF is seeking a downtown location for its School of Film & Digital Media (SFDM) and the Florida Interactive Entertainment Academy (FIEA), the SFDM and FIEA being hereinafter sometimes collectively referred to as the "Schools"; and

WHEREAS, the City, in an effort to develop and facilitate the presence of UCF's educational facilities and the digital media and interactive entertainment industries in downtown Orlando, desires to lease the Expo Centre to UCF for the operation of the Schools and, when necessary to achieve Attendance Goals, other UCF instructional programs; and

WHEREAS, UCF desires to lease and redevelop the Expo Centre for the purpose of locating and operating the Schools and, when necessary to achieve Attendance Goals, other UCF instructional programs therein pursuant to the terms of this Lease Agreement; and

WHEREAS, the CRA was created as a public body corporate and agency of the City of Orlando for the purpose of, among others, carrying out the community redevelopment purposes of Ch. 163, Part III, Florida Statutes; and

WHEREAS, pursuant to the Downtown Community Redevelopment Area Plan (Downtown Outlook) the operation of the Schools and, when necessary to achieve Attendance Goals, other UCF instructional programs at the Expo Centre will help to achieve the CRA's goals of redeveloping the Expo Centre with multiple uses, including educational facilities; and

City Council Meeting: 10-11-04
Item: 71 Documentary: 041011701

WHEREAS, CRA has agreed to provide certain funds to UCF in order to fund a portion of the cost for the redevelopment of the Expo Centre; and

WHEREAS, the operation of the Schools and, when necessary to achieve Attendance Goals, other UCF instructional programs at the Expo Centre will increase the academic and collegiate presence in downtown Orlando and assist in the growth of the high wage digital media industry in Orlando; and

WHEREAS, the creation of a digital media technology cluster and university presence in downtown Orlando are critical factors in the revitalization of downtown Orlando; and

WHEREAS, the location of UCF in downtown Orlando will provide significant economic benefits to the City and its residents, and will serve as a catalyst for economic development in downtown Orlando; and

WHEREAS, City's and CRA's participation in the lease and redevelopment of the Expo Centre to provide educational facilities related to the high-tech digital media and interactive entertainment industries serves a valid public purpose; and

WHEREAS, the parties desire to memorialize their understanding regarding the lease and renovation of the Expo Centre.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and given one party to the other, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Recitals. The above recitals are true and correct and are incorporated herein, by reference.

2. Leased Premises. The City does hereby lease to UCF, and UCF does hereby let as tenant from the City, the real property and improvements located at 500 West Livingston Street, Orlando, Florida, as more particularly shown in Exhibit "A", attached hereto and incorporated herein, by reference (the "Leased Premises"). The Leased Premises consist of the approximately 112,770 square foot, 3-story building commonly known as the Expo Centre (the "Building"), which shall be leased to UCF in phases according to the following schedule (the "Lease Schedule"):

A. Commencing on October 12, 2004 and continuing until the expiration or earlier termination of the Lease, the Leased Premises shall consist of the entire 2nd and 3rd Floors of the Building, including all bathrooms and common areas located thereon, and the administrative offices on the 1st floor;

B. Commencing on February 1, 2005 and continuing until the expiration or earlier termination of the Lease, Hall # 400 and 500 on the 1st floor shall be added as part of the Leased Premises;

C. Commencing on August 1, 2005 and continuing until the expiration or earlier termination of the Lease, Hall # 600 and 700 on the first floor shall be added as part of the Leased Premises; and

D. Commencing on March 1, 2007 and continuing until the expiration or earlier termination of the Lease, Hall # 200 and 300 on the first floor shall be added as part of the Leased Premises so that as of March 1, 2007 the Leased Premises shall include the entire Building.

The City and UCF may mutually agree in writing to modify the Lease Schedule. UCF shall only have the lease and use of those portions of the building that are part of the Leased Premises according to the Lease Schedule. In addition, UCF shall have the use of all elevators, stairways, hallways, bathrooms, walkways and other common areas (the "Common Areas") necessary for the operation, use and maintenance of the Schools and, when necessary to achieve Attendance Goals, other UCF instructional programs provided that such use of the Common Areas does not interfere with the Expo Events described below. The previously scheduled events identified in Exhibit B attached hereto and incorporated herein, by reference (the "Expo Events") shall be held as scheduled in those portions of the Building identified in Exhibit B, and the Expo Events shall be allowed the use of parking and Common Areas necessary for the proper functioning of the Expo Events. UCF shall take all reasonably appropriate steps to insure that the construction of the Renovations and UCF's use of the Leased Premises does not interfere with the Expo Events.

3. Term of Lease. The term of the Lease shall be forty (40) years (the "Term") beginning on October 12, 2004 (the "Lease Commencement Date") and ending on October 11, 2044 (the "Expiration Date"), unless such Lease is extended or terminated as provided herein.

4. Renewal of Lease. Provided that UCF is not in breach or default of the Lease, the term of the lease may be renewed for two (2) additional, ten (10) year terms upon the mutual, written agreement of the parties.

5. Use of Leased Premises. UCF shall use, lease and renovate the Leased Premises solely for the operation and maintenance of the Schools and, when necessary to achieve Attendance Goals, other UCF instructional programs and the administrative offices associated therewith.

A. Attendance Goals. The Schools and, when necessary to achieve the Attendance Goals, other UCF instructional programs shall make best effort to comply with the Attendance Goals contained in Exhibit C attached hereto and incorporated herein, by reference (the "Attendance Goals"), and UCF shall submit to the CITY an annual accounting or statement relating to the operation of the Schools and, when necessary to achieve Attendance Goals, other UCF instructional programs at the Leased

Premises during the previous year which demonstrates UCF's compliance thereof. It is acknowledged that the Attendance Goals contained in Exhibit C require that additional space be made available for the FIEA no later than the beginning of year 4 of the lease in order to allow for the expansion of instructional activities required to serve all undergraduate students enrolled in SFDM. Without additional space it may be necessary to limit undergraduate enrollment to upper division; i.e., years 3 and 4, students. In order to properly serve lower-division; i.e., years 1 and 2 undergraduate students it will be necessary to provide adequate student support services and co-curricular activities on-site. Otherwise, it may be necessary to limit undergraduate enrollment to upper division courses. Until SFDM student enrollment meets the Attendance Goals described in Exhibit C, it may be necessary to conduct other UCF instructional activities in the Building.

B. UCF Programs/Activities. UCF shall strive to provide the following programs and activities:

1. To the extent resources allow, UCF will encourage its SFDM to work with the Downtown Development Board in sponsoring and hosting an annual Downtown Film Festival reflective of the SFDM's program.
2. The SFDM will look for opportunities to provide educational outreach to member schools of the Consortium of Downtown Orlando Schools.
3. The SFDM will make a good faith effort to provide educational outreach/career development to underserved populations.
4. To the extent space and resources allow, the SFDM will continue to operate a Downtown Media Arts Center/Screening room within the Downtown Community Redevelopment Area for as long as the SFDM is located within the Building.
5. UCF will recognize the City and CRA partnership in a permanent way at the Leased Premises, visible to visitors and the general public.
6. If a film auditorium is created through future renovations of the Building, then UCF will provide such auditorium for use by the Orlando International Fringe Festival at no charge on an annual basis. The Orlando International Fringe Festival shall be responsible for the operation, maintenance, and repair costs associated with its use of the auditorium and for any repair costs associated with damage to the Building attributable to the Orlando International Fringe Festival.

6. Parking. The City will provide UCF with a total of 300 parking spaces in the Centroplex Parking Lot #1 pursuant to the following schedule:

- A. Commencing November 1, 2004.....75 parking spaces
- B. Commencing January 1, 2005.....100 parking spaces

- C. Commencing April 1, 2005.....200 parking spaces
- D. Commencing August 1, 2005.....300 parking spaces

The City and UCF shall cooperate and make every reasonable effort to accommodate each party's respective needs for parking, including the execution of a parking agreement which sets forth the rights, duties and responsibilities of the parties with respect to UCF's use of the parking spaces. If UCF's use of the above parking spaces, or any portion thereof, would interfere with the City providing parking for an Expo Event or event at the TD Waterhouse Center, the City may relocate up to one-half of the parking spaces to another City parking facility in close proximity to the Expo Centre. The parking spaces referenced above shall be provided for UCF's use until such time as the City and UCF mutually agree on a long-term parking plan for the Leased Premises.

7. Rent. UCF shall pay rent in the amount of one dollar (\$1.00) per year payable annually on the Lease Commencement Date and each anniversary thereof.

8. Building Renovation.

A. Renovations. UCF shall improve the Leased Premises by renovating the Building pursuant to the Scope of Work attached hereto and incorporated herein, by reference, as Exhibit D (the "Renovations"). Construction of the Renovations shall commence within ten (10) days of the Lease Commencement Date. If construction of the Renovations has not commenced within such ten (10) day period, then the City may continue to hold events within any portion of the Building, including the Leased Premises, until such time as construction has commenced. UCF shall use its best efforts to construct and install the Renovations on or before July 31, 2005 (Construction and Fixture Period), but in any event, the Renovations must be complete and a Certificate of Occupancy for the Building issued no later than one (1) year from the Lease Commencement Date. UCF shall be responsible for securing all local, state, and federal permits required for the Renovations. UCF shall furnish the CITY with two (2) sets of As-Built Drawings of the Renovations within thirty (30) days of final completion. In addition to the Renovations, UCF may make additional renovations and improvements to the Building at its sole cost and expense pursuant to plans and specifications approved in advance by the City in accordance with subsection B below.

B. Design. UCF shall procure the services of Florida licensed professional architects, landscape architects, surveyors, engineers, and other needed professionals (the "Consultants") to design the Renovations. The design shall be in accordance with the City Code and requirements of any other governmental agencies having jurisdiction. The design plans and specifications (the "Plans") for all aspects of the Renovations shall be subject to the review and approval of the City not to be unreasonably withheld, conditioned or delayed. UCF shall provide the City with Plans in paper and electronic formats at 30%, 60%, 90% and 100% completion for review and approval by the City and CRA. The requirements of this paragraph are in addition to the other design

approvals required by the City Code. No change shall be made to City approved Plans without the prior written approval of the City.

C. Construction. UCF shall procure a Florida licensed general contractor (hereinafter referred to as "Contractor") reasonably acceptable to the City who shall perform the construction of the Renovations. The construction shall be performed in accordance with the City-approved Plans and in accordance with all applicable federal, state and local laws, ordinances, rules and regulations.

D. Change Orders.

1. **Unforeseen Conditions.** During the course of construction of the Renovations, if the City, CRA or UCF, through itself or its Contractor or Consultants, observe, or otherwise become aware of, any utility conflicts, unforeseen site conditions or other similar events not resulting from negligent or wrongful acts or omissions of the Contractor, Consultants or any entities for which such Contractor or Consultants may be responsible, each party shall immediately notify the other party of such conflicts, conditions or events. The City and UCF agree that time is of the essence in making any decisions, interpretations and/or changes with respect to design, materials and other matters pertinent to the work covered by the construction contract so as to not materially delay the work of the Contractor. If the City determines that a change is necessary to the construction contract in order to complete the Renovations, the City shall provide such proposed change to UCF for review and approval, which approval shall not be unreasonably withheld, conditioned or delayed. Upon approval of such change by UCF, UCF shall process a change order with the Contractor. In the event that UCF determines a change is necessary to the construction contract in order to complete the Renovations, UCF shall provide to the City a copy of the proposed change order for review and approval by the City which approval shall not be unreasonably withheld, conditioned or delayed. UCF shall issue a change order to the Contractor for any change requested by either party which are approved by both parties. Each party shall notify the other party within seven (7) days of receipt of the proposed change order of its approval or rejection, or of any modifications to the change order. If the parties reach an impasse over any change order, the objection shall be heard by a committee composed of the Public Works Director, a UCF representative, and a third member selected by the other two, which committee shall make the final determination as to whether the change can be implemented. Such committee shall make a good faith effort to resolve any such issues as expeditiously as possible and any such issues shall be resolved within three (3) days from the time the committee first considers it, unless a majority of the committee agrees otherwise. UCF and the CRA shall be jointly responsible for the payment of all approved change orders, regardless of whether the City or UCF initiated the request, such cost to be shared pro-rata based upon their respective financial contributions toward the Renovations pursuant to Exhibit D; provided, however, that neither the City nor CRA shall be responsible for the payment of any change order relating to tenant improvements, which cost shall be the sole responsibility of UCF.

2. UCF-Initiated Change Orders. During the course of construction of the Renovations if UCF requests a change order other than those change orders described in subsection 1 above which modifies the Plans approved by the City pursuant to subsection 8.B above, then UCF shall provide to the City a copy of the proposed change order for review and approval by the City which approval shall not be unreasonably withheld, conditioned or delayed. UCF shall issue a change order to the Contractor for any such change that is approved by both parties. UCF shall not issue any change order to the Contractor that has not been approved by both parties. UCF shall be responsible for the payment of all approved change orders requested by UCF pursuant to this subsection.

3. City-Initiated Change Orders. During the course of construction of the Renovations if the City requests a change order other than those change orders described in subsection 1 above which modifies the Plans approved by the City pursuant to subsection 8.B above, then the City shall provide to UCF a copy of the proposed change order for review and approval by UCF which approval shall not be unreasonably withheld, conditioned or delayed. UCF shall issue a change order to the Contractor for any such change that is approved by both parties. UCF shall not issue any change order to the Contractor that has not been approved by both parties. The City shall be responsible for the payment of all approved change orders requested by the City pursuant to this subsection.

E. Funding of Renovations.

1. By CRA. The estimated cost of the Renovations is \$6,333,171.00 as detailed in the Scope of Work (Exhibit D). The CRA agrees to pay UCF Four Million Three Hundred Eighty Four Thousand Six Hundred and Three Dollars (\$4,384,603.00; the "Redevelopment Funds") towards the cost of constructing the Renovations payable as provided below, which amount includes the CRA's funding of a portion of the design cost of the Renovations pursuant to the Funding Agreement for Professional Design Services Related to the Orlando Expo Centre Conversion effective September 29, 2004 between the CRA, UCF and the Foundation. The CRA shall disburse payments to UCF only after receipt of invoices and certification from UCF that the work for which payment is sought has been satisfactorily completed. UCF shall submit to the City's Public Works Director or his designee a single invoice each month, in a format mutually agreeable to the parties, incorporating the costs for construction of the Renovations incurred during the previous month. Such invoice shall be accompanied by copies of the invoices submitted to UCF by the Contractor which encompass UCF's invoice, and which clearly distinguish between costs of the Renovations and the costs of other improvements to the Leased Premises not included within the Scope of Work (Exhibit D). Each UCF invoice shall clearly document the work for which payment is sought. To receive payment, the construction must be performed in accordance with the City-approved Plans. Disbursement of the Redevelopment Funds will be made to UCF only after the City's approval of submitted invoices and verification of work completed in accordance with this Agreement. UCF shall provide to the City partial releases of lien from the Contractor, subcontractors, and suppliers for the portion of the work for which payment

is sought and UCF's performance of its obligations must be in compliance with the terms of this Agreement.

The CRA is providing the Redevelopment Funds to UCF for the express purpose of facilitating the redevelopment of the Expo Centre for the operation of the Schools and, when necessary to achieve Attendance Goals, other UCF instructional programs, and the CRA's payment of such funds is contingent upon UCF's operation of the Schools and, when necessary to achieve Attendance Goals, other UCF instructional programs in substantial compliance with the Attendance Goals in Exhibit C, substantial compliance being defined as compliance with no less than 75 % of the Attendance Goals. If UCF fails to operate the Schools and, when necessary to achieve the Attendance Goals, other UCF instructional programs, in substantial compliance with the Attendance Goals for a period of two (2) consecutive years, then, the City and CRA may immediately terminate the Lease, and UCF shall be required to reimburse the CRA, pursuant to the following repayment schedule, a prorated portion of \$1,169,846.00, which amount represents the portion of the Reimbursement Funds paid by the CRA to UCF for the tenant improvements directly benefiting the Schools:

(a) If UCF fails to operate the Schools and, when necessary to achieve Attendance Goals, other UCF instructional programs in substantial compliance with the Attendance Goals during the first five (5) years of the Term, then UCF shall reimburse the CRA an amount equal to 80% of the Reimbursement Funds;

(b) If UCF fails to operate the Schools and, when necessary to achieve Attendance Goals, other UCF instructional programs in substantial compliance with the Attendance Goals during years 5 through 10 of the Term, then UCF shall reimburse the CRA an amount equal to 60% of the Reimbursement Funds;

(c) If UCF fails to operate the Schools and, when necessary to achieve Attendance Goals, other UCF instructional programs in substantial compliance with the Attendance Goals during years 10 through 15 of the Term, then UCF shall reimburse the CRA an amount equal to 40% of the Reimbursement Funds;

(d) If UCF fails to operate the Schools and, when necessary to achieve Attendance Goals, other UCF instructional programs in substantial compliance with the Attendance Goals during years 15 through 20 of the Term, then UCF shall reimburse the CRA an amount equal to 20% of the Reimbursement Funds;

(e) After year 20 of the Term UCF shall have no further obligation to reimburse the CRA for any portion of the Reimbursement Funds.

2. **By UCF.** UCF shall pay One Million Nine Hundred Forty Eight Thousand Five Hundred and Sixty-Eight Dollars (\$1,948,568.00) toward the costs of the Renovations.

3. By City. The City shall pay for the cost of permit and impact fees relating to the construction of the Renovations by means of credits, waivers, and/or direct payments.

F. Retention. UCF agrees that the CRA shall retain ten percent (10%) of each monthly invoice submitted for payment pursuant to subsection E above (the "Retention"). The Retention shall be withheld until the following conditions have been met:

- (i) final completion and acceptance of the Renovations by the City;
- (ii) City's receipt of the one-year warranty from the contractor;
- (iii) Releases of liens from the Contractor, subcontractors and suppliers;
- (iv) Receipt by the City of As-built drawings of the Renovations;
- (v) Issuance of a Certificate of Occupancy for the renovated Expo Centre; and
- (vi) UCF's full compliance with all the terms and conditions contained in this Agreement relating to the design and construction of the Renovations.

G. Access and Inspections. In addition to personnel of the City's Permitting and Code Enforcement Division and Public Works Department, the City and CRA may have inspectors on-site observing the performance of the construction. They shall have complete access to the construction site at all times. Any construction work discovered or observed to be defective by either the City, CRA, UCF or the Contractor, as applicable, which is defective or otherwise non-conforming to the requirements of the City-approved Plans shall be promptly removed by UCF, through the Contractor, and replaced with conforming work. City and CRA personnel shall not, however, during such visits to the site or as a result of such observations of the construction work, supervise, direct or have control over the construction work, nor shall they have authority or responsibility for the means, methods, techniques, sequences or procedures of construction, or for safety measures and programs incident to the construction.

H. Copies. UCF shall provide copies and/or make available at City Hall for inspection, as required by the City, Plans, schedules, correspondence, change orders, reports, field transmittals, job logs, shop drawings, samples, testing data and reports and any other design or construction documents requested by the City.

I. Insurance. UCF shall require the Contractor to provide and maintain the following insurance with minimum coverage as stated during the term of construction and including the one year warranty period:

- a. General Liability \$2,000,000

- b. Automobile Liability \$ 500,000
- c. Worker's Compensation STATUTORY LIMIT

UCF shall require the Consultants who design the Renovations to provide and maintain professional liability insurance in the minimum amount of \$1,000,000 during the term of design and construction including the one-year warranty period. UCF shall require the Contractor to include the City and CRA as an additional insured on the general liability and automobile liability insurance and to provide a waiver of subrogation in favor of the City on the worker's compensation insurance. The City and CRA shall be listed as a certificate holder and the insurance certificates shall provide that the insurance coverage shall not be cancelled without at least 30 days prior written notice having been given to the City and CRA.

J. Payment and Performance Bonds. Prior to beginning construction of the renovations, UCF shall require the Contractor to obtain Performance and Payment Bonds with the minimum penal amount of each bond equal to the construction cost of the Renovations work on bond forms reasonably acceptable to the City. The surety must be authorized to issue surety bonds in Florida and must be listed in the current United States Department of the Treasury's "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" as published in the Federal Register. The City and UCF shall be listed as co-obligees on each bond. Since the Renovations are to be constructed upon public property, construction liens cannot be placed or filed upon the Leased Premises, and, if a claim of lien is filed, UCF shall take all actions necessary to remove the lien. The City shall not accept the Renovations, nor shall final payment by the CRA hereunder be made, until all such liens are removed.

K. Final Inspection. Upon completion of the construction of the Renovations, UCF shall conduct a final inspection with the Executive Director of the CRA and the Public Works Director of the City, or their respective designees. If the City and UCF both believe that all construction work is completed in conformance with the City-approved Plans, UCF shall submit a final completion certification to the City, accompanied by complete as-built drawings acceptable to the City Surveyor, a one year warranty from the Contractor on the labor and materials commencing upon the date of final completion and acceptance by City, and waivers and lien releases from OHA, the Contractor, subcontractors, and suppliers.

L. Warranty. UCF shall require the Contractor to provide a standard one-year warranty for the Renovations.

M. No Waiver of Regulatory Authority. UCF acknowledges that the City is the entity responsible for issuing building permits and certain other types of permits and performing inspections which will be required in connection with the construction of the Renovations, and further acknowledges that nothing in this Agreement constitutes or is intended to operate as a waiver of such regulatory authority.

N. Books and Records. UCF shall keep complete books and records, including, but not limited to all invoices, receipts, statements of costs and records of payment and other supporting records relating to the renovation of the Building in auditable form in accordance with generally accepted accounting principles for no less than five (5) years after the date payment of all cost by the CRA to UCF have been made as provide herein. The City and CRA shall have the right, at their own expense, to conduct an audit of the foregoing records during normal business hours at the office at UCF where the records are stored and maintained. If, as a result of any such audit, it is established that the CRA has overpaid or paid for items outside the Scope of Work, UCF shall forthwith refund the amount owing the CRA, with interest thereon at a rate of eight percent (8%) per annum from the date such amount was overpaid.

9. Transfer of Title to the Leased Premises to Foundation/Option to Purchase.

A. Transfer of Title to the Leased Premises to Foundation. Provided that UCF complies with all terms and conditions of this Lease Agreement, including but not limited to, the completion and City approval of the Renovations, and the operation of the Schools within the Leased Premises in substantial compliance with the Attendance Goals, the City shall transfer fee simple title to the Leased Premises to the Foundation after the Schools are operating at full capacity, but no earlier than March 1, 2007. The City shall transfer title via a Special Warranty Deed recorded in the public records of Orange County, Florida. Such deed shall contain a reverter clause that requires that the property transferred be used for educational purposes or title to the property reverts to the City. At such time as title to the Leased Premises is transferred to the Foundation, this Lease Agreement shall automatically terminate and the parties shall be released of their obligations hereunder.

B. Option to Purchase. At any time prior to the City's transfer of title to the Leased Premises to the Foundation as provided in subsection A above, the Foundation shall have the option to purchase the Leased Premises from the City at a price mutually agreed to by the parties, and the Foundation may exercise such option by giving written notice of such exercise to the City (the "Notice of Exercise"). The City shall transfer title via a Special Warranty Deed recorded in the public records of Orange County, Florida. Such deed shall contain a reverter clause that requires that the property transferred be used for educational purposes or title to the property reverts to the City. At such time as title to the Leased Premises is transferred to the Foundation, this Lease Agreement shall automatically terminate and the parties shall be released of their obligations hereunder. Notwithstanding the foregoing sentence, UCF and the Foundation acknowledge the City's intent to lease Hall #200 and 300 to Expo Hotel Associates, Ltd., its successors or assigns, or other third party until such time as Hall #200 and #300 become part of the Leased Premises on March 1, 2007 pursuant to the Lease Schedule. Therefore, if the Foundation purchases the Leased Premises prior to March 1, 2007, then such purchase shall be subject to any then existing lease, license or similar agreement for the use of Hall #200 and 300. The term of any such lease, license, etc. shall expire on February 28,

2007, and the Foundation and UCF shall honor such lease, license, etc. up to such termination date. This provision shall survive the termination of this Lease Agreement.

10. Personal Property, Furniture and Equipment. In addition to the Renovations, UCF shall also furnish and install, at its sole cost and expense, any personal property, furniture and equipment reasonably necessary for the operation of the Schools (the "PPF & E"). UCF shall keep the PPF & E in good condition and repair, normal wear and tear excepted. The PPF & E shall remain the property of UCF during the term of the Lease. If the Lease expires or is terminated prior to UCF taking title to the Leased Premises as provided in section 9 above, UCF shall remove the PPF & E from the Leased Premises and shall repair any damage to the Leased Premises resulting from such removal. Any PPF & E not removed within thirty (30) days after UCF's receipt of a written request from the City to remove such PPF & E, shall be considered abandoned and automatically become the property of the CITY.

11. Repairs and Maintenance.

A. **By City.** For the period of time from the Lease Commencement Date to the earlier of March 1, 2007 or the Foundation's ownership of the Leased Premises, (the "City Maintenance Period"), the CITY, at its sole cost and expense, shall be responsible for the repair and maintenance of (i) the exterior walls, roof, and foundation, of the Building; and (ii) those portions of the Building not part of the Leased Premises according to the Lease Schedule. All items that the City is required to maintain and repair shall be maintained and repaired in a good, safe and sanitary condition during the City Maintenance Period, normal wear and tear excepted.

B. **By UCF.** During the City Maintenance Period, UCF, at its sole cost and expense, shall be responsible for the cost of repair and maintenance of the interior of the Leased Premises. At the end of the City Maintenance Period any and all repairs and maintenance of the interior and exterior of the Leased Premises shall be performed by UCF at its sole cost and expense. . All items that UCF is required to maintain and repair shall be maintained and repaired in a good, safe and sanitary condition throughout the term of the Lease, normal wear and tear excepted.

C. **Common Area Maintenance (CAM) Expenses.** During the City Maintenance Period, the City shall maintain and repair the Common Areas, plumbing, HVAC, electrical, doors, windows, plate glass, carpet, fixtures, fire extinguishers, sprinkler systems, exterior grounds and landscaping, and exterior and Common Area lighting. In addition, the City will provide or arrange for refuse collection, security, janitorial service to the Common Areas, utilities to the Common Areas, and pest control (except within UCF's food service areas). UCF shall reimburse the City a percentage of the cost of the services enumerated in this subsection based upon the ratio of the square footage of the Leased Premises compared to the gross leaseable area of the Building. To the extent that UCF receives Plant, Operations and Maintenance funds from the legislature for the Leased Premises, such funds shall be the first source of payment for the items described herein.

D. City Inspection. During the Lease term, the City shall be entitled to inspect the Leased Premises and Renovations twice per year and provide UCF with a written list of items requiring repair by UCF. UCF shall have thirty (30) days from its receipt of the list to repair all items on the list, unless the nature of such repair is such that it cannot be accomplished within 30 days, in which case UCF shall be allowed a reasonable period of time to make such repairs, provided UCF promptly and diligently pursues such repairs. The failure of UCF to repair the items within such time period shall be a breach of this Lease. The failure of the City to provide a list of repairs to UCF shall not relieve UCF of its maintenance and repair obligations.

12. Utilities. UCF shall be responsible for the cost of utilities for the Leased Premises. The cost of utilities for the Common Areas shall be jointly paid by the City and UCF as CAM expenses pursuant to section 11.C above.

13. Janitorial Service. UCF, at its sole cost and expense, shall provide janitorial service to the Leased Premises. During the City Maintenance Period the City shall provide janitorial service to the Common Areas, the cost of which shall be jointly paid by the City and UCF as CAM expenses pursuant to section 11.C above.

14. Pest Control. If UCF establishes food service at the Leased Premises, UCF, at its sole expense, shall engage exterminators to control vermin and pests on a monthly basis in all areas where food is prepared, dispensed or stored and in all areas where trash is collected and deliveries are made.

15. Grease Traps and Recycling. If UCF establishes food service at the Leased Premises, UCF shall comply with the CITY's Oil and Grease Management Program per section 30.15 of the Orlando City Code (Code). UCF shall be responsible for the professional removal of grease to avoid spillage and for grease recycling of shortening. Grease Traps shall be provided and pumped in compliance with section 30.15 of the Code.

16. Signage. UCF may install appropriate signage to identify the Schools. All signage is subject to the sign regulations of the CITY and the Downtown Development Board (DDB) (if applicable). Since the Leased Premises is public property owned by the City, political campaign signs are prohibited on the Leased Premises pursuant to section 64.252.

17. Exclusive Use. UCF shall be entitled to exclusive possession and enjoyment of the Leased Premises, subject to the terms described herein.

18. Living Wage. During construction of the Renovations, UCF shall pay to all of its employees, Contractors and Consultants providing construction-related services to the Renovations, a living wage for the time spent providing such services (this provision does not include general administrative personnel). "Living wage" means compensation for employment of not less than \$8.50 per hour for straight time, exclusive of FICA,

unemployment taxes, and workers compensation insurance and employee benefits. Necessary payroll documentation shall be provided to confirm compliance with this provision or UCF shall allow the City to audit (at their place of business) its payroll records to determine if compliance has been achieved.

19. MBE/WBE Participation. To the extent allowed by Florida law, UCF shall use its best efforts to encourage its Contractor and Consultants to meet the City's minimum goals for participation of City-certified minority business enterprises ("MBEs") and City-certified women business enterprises ("WBEs") in the design and construction of the Renovations in accordance with Articles II and III of Chapter 57 of the Orlando City Code. The City encourages UCF and its Contractor and Consultants to exceed the minimum MBE/WBE goals referenced above, and the City will assist in such effort to exceed the goals. UCF shall require its Contractor and Consultants to submit quarterly reports in a format acceptable to the City and the MBE/WBE Department, documenting MBE/WBE firms used, their scopes of work, dollar value of contracts, work performed to date, and dollar amounts paid to date. The initial report shall be submitted to the City's MBE Director within forty-five (45) days of the Effective Date.

At the City's sole risk and expense, a City MBE/WBE Compliance Officer may visit the job site and may interview firms and employees in order to observe and document participation by MBE/WBE firms and minority and women employees.

20. Termination. This Lease Agreement may be terminated:

A. By UCF if the City fails to perform any of its obligations under this Lease, and does not remedy the failure within thirty (30) calendar days after receipt by the City of written demand from the UCF to do so;

B. By the City or CRA if UCF fails to perform any of its obligations under this Lease, and does not remedy the failure within thirty (30) calendar days after receipt by UCF of written demand from the City to do so;

If the Lease expires or is terminated prior to the City's transfer of fee simple title to UCF as provided in section 9 above, then UCF shall peacefully deliver up to the City possession of the Leased Premises together with the Building and other improvements thereon, in good condition and state of repair, reasonable wear and tear excepted, which Building and other improvements shall become the property of the City.

21. Indemnification.

A. **UCF's Indemnification of City.** To the extent provided by Florida law, UCF hereby agrees to indemnify, defend and hold harmless without limit the City, its' officers, agents, employees, and elected and appointed officials, from and against any and all liability, claims, demands, damages, fines, fees, expenses, penalties, suits, proceedings, actions and cost of actions, including reasonable attorney's fees before and at trial and on appeal, of any kind and nature arising or growing out of or in any way

connected with UCF's use of the Leased Premises, operation of the Schools, construction of the Renovations, or performance of this Lease, caused by, resulting from or arising out of any act or omission of UCF, its agents, or employees.

B. City's Indemnification of UCF. To the extent provided by Florida law, the City hereby agrees to indemnify, defend and hold harmless UCF, its officers, agents, and employees, from and against any and all liability, claims, demands, damages, fines, fees, expenses, penalties, suits, proceedings, actions and cost of actions, including reasonable attorney's fees before and at trial and on appeal, of any kind and nature arising or growing out of or in any way connected with the City's failure to comply with its obligations under this Lease caused by, resulting from or arising out of any act or omission of City.

22. Insurance

A. UCF, at its own expense, shall keep in force and at all times maintain State Self Insurance as provided by law and shall provide City with a statement of insurance evidencing such self insurance.

B. During the City Maintenance Period, the City shall provide property/casualty insurance for the full value of the Building through its self-insurance program and shall provide UCF with a statement of insurance evidencing such insurance.

23. Compliance With Laws

A. UCF shall comply with all applicable present and future federal, state, and local laws, ordinances, rules, and regulations relating to the its use and maintenance of the Leased Premises, the operation of the Schools, and the design and construction of the Renovations pursuant to this Lease, including, but not limited to, the Florida Building Code (FBC), and the Americans With Disabilities Act (ADA). The payment of any penalties or fines arising out of or in any way connected with the violation of, or non-compliance with, the foregoing shall be UCF's responsibility.

B. The City shall comply with all applicable laws, rules and regulations imposed upon it as the owner of the Leased Premises.

C. UCF shall obtain all certificates, permits, and other approvals that may be required by any federal, state, or local authority for the operation of the Schools and the construction of the Renovations. The payment of any penalties or fines arising out of or in any way connected with the violation of, or non-compliance with, the foregoing shall be UCF's responsibility.

24. Taxes and Assessments. The payment of all applicable real estate and personal property taxes relating to the portion of the Building that are part of the Leased Premises according to the Lease Schedule, including any taxes on the Leasehold, improvements and PPF&E, shall be the sole responsibility of UCF, subject to any

exemptions or immunity from the payment of such taxes under Florida Law. The City shall be responsible for the payment of the annual City Stormwater Utility Fee imposed upon the Leased Premises during the City Maintenance Period.

25. Damage or Destruction of Leased Premises. If the Leased Premises or any portion thereof are destroyed or damaged the City shall immediately take such action as is necessary to assure that the Leased Premises (or any portion thereof) do not constitute a nuisance or otherwise present a health or safety hazard. If the destruction or damage is such that it materially hinders effective use of the Leased Premises as a School, then UCF may elect to either (1) require the City to repair or reconstruct the Leased Premises using the insurance proceeds of the City's self-insurance if the damage is a covered loss, or (2) repair or reconstruct the Leased Premises using the insurance proceeds of UCF's self-insurance or at UCF's sole cost and expense if the damage is not covered by the City's self-insurance, or (2) terminate this Lease by giving thirty (30) days written notice to the City.

In the event that UCF elects to terminate the Lease, then UCF shall promptly remove the PPF&E from the Leased Premises and vacate the Leased Premises. If UCF chooses terminate the lease, then the CITY, as the named insured, shall retain any insurance proceeds payable as a result of such damage or destruction under policies required by section 20 of this Lease. After the first twenty (20) year term, the City shall have no obligation to reconstruct or repair damage to the Leased Premises

26. Condemnation.

A. Total Condemnation. If all of the Leased Premises, and the improvements located thereon, are taken by the exercise of the power of eminent domain, this Lease shall terminate as of the date the condemnor takes possession, and all payments due pursuant to the provision of this Lease shall be prorated accordingly. The entire compensation award attributable to the Leased Premises taken shall belong to the Landlord. UCF shall have the right to claim and recover from the condemning authority, such compensation as may be separately awarded or recoverable by UCF in UCF's own right on account of any and all damage to UCF's business by reason of any condemnation and for or on account of any cost or loss to which UCF might be put in removing or relocating UCF's business, PPF & E.

B. Partial Condemnation. If more than twenty-five percent (25%) of the Leased Premises at the time, are taken by the exercise of the power of eminent domain (herein referred to as "**Partial Condemnation**"), UCF shall have the right to terminate this Lease if the remaining portion of the Leased Premises not condemned (including the improvements located thereon) are such that their continued use for the purpose for which the same were being used immediately prior to such taking is reasonably impractical or economically imprudent. The option to terminate herein granted shall be exercised in writing by UCF within sixty (60) days after UCF shall have received written notice of the date of the taking of possession by the applicable condemning authority. Termination shall be effective on the date of the taking. Upon termination, all payments due pursuant to the provisions of this Lease shall be prorated accordingly. The entire

compensation award attributable to the Leased Premises taken shall belong to the Landlord. UCF shall have the right to claim and recover from the condemning authority, such compensation as may be separately awarded or recoverable by UCF in UCF's own right on account of any and all damage to UCF's business by reason of any condemnation and for or on account of any cost or loss to which UCF might be put in removing or relocating UCF's business, PPF & E.

C. Cooperation in Making Claims. The City and UCF shall, in connection with any eminent domain proceedings, cooperate in making all claims for damages and bringing suit or action.

27. Advertising and Promotion. UCF and City shall not use the other's name or logo in advertising or promoting the Schools without the other's prior, written consent

28. Mortgage By UCF.

A. Mortgage. UCF may, provided that UCF is not then in default hereunder, execute a leasehold mortgage upon UCF's interest in the Leased Premises pursuant to this Lease through an institutional lender (Lender) as security for the payment of a note, and any renewal or extensions thereof, or substitution of lenders or refinancing, to be executed by UCF upon the following terms and conditions:

(i) the CITY shall not be obligated for the payment of any such loan or any part thereof.

(ii) the note and mortgage shall provide that in the event of any default as to the terms and provisions of the note and mortgage which would permit the Lender to accelerate the loan balance, the Lender shall be obligated to give the CITY written notice of such default at least ten (10) days prior to any action to foreclose against the mortgage.

(iii) the proceeds of the loan shall be used solely to pay for development and construction costs, loan expenses and other related costs with respect to the Renovations or other improvements to be made upon the Leased Premises.

B. Notice and Right to Cure. The City shall give simultaneous written notice to Lender of any default by UCF under this Lease and shall give the Lender the same period of time to cure the default as is granted to UCF under the Lease. All notices to Lender shall be sent in the same manner as required by section 31 below to such address as the Lender may designate in writing to the City. If the Lender forecloses its mortgage and acquires UCF interest in the Leased Premises, then the Lender shall become "UCF" under the Lease. Nothing contained herein shall obligate the Lender to cure any default of UCF.

29. Estoppel Certificate. Either party shall at any time and from time to time upon not less than ten (10) days prior request by the other party deliver to the requesting party a statement in writing certifying whether (a) the Lease is in full force or has been

36. No Partnership or Joint Venture. Nothing contained in this Agreement shall constitute or be construed to be or create a partnership or joint venture between the CITY and UCF.

37. Non-Waiver; Remedies Cumulative. Failure of either party to complain of any act or omission on the part of the other party, no matter how long the same may continue, shall not be deemed to be a waiver by said party of any of its rights hereunder. No waiver by either party of any breach of any provision of this Lease shall be deemed a waiver of a breach of any other provision of this Lease or a consent to any subsequent breach of the same or any other provision. If any action by either party shall require the consent or approval of the other party, the other party's consent to or approval of such action on any one occasion shall not be deemed a consent to or approval of said action on any subsequent occasion or consent to or approval of any other action on the same or any subsequent occasion. Any and all rights and remedies which either party may have under this Lease or by operation of law, either at law or in equity upon any breach, shall be distinct, separate and cumulative and shall not be deemed inconsistent with each other; and no one of them, whether exercised by said party or not, shall be deemed to be in exclusion of any other, and any two or more or all of such rights and remedies may be exercised at the same time.

38. Construction of Language. The language in all parts of this Lease shall in all cases be construed as a whole according to its fair meaning. Each party has participated extensively in the negotiations concerning and drafting of this Lease, and each has been represented by legal counsel.

39. Business Day. Should any due date hereunder fall on a Saturday, Sunday or legal holiday, then such due date shall be the first business day following such Saturday, Sunday or legal holiday.

40. Commission. The City, CRA, and UCF represent and warrant to each other that neither party has engaged, employed nor dealt with any broker in connection with this Lease.

41. Miscellaneous.

A. The CITY and UCF represent that each, respectively, has full right, power, and authority to execute this Lease.

B. This Lease constitutes the entire agreement and understanding of the parties and supersedes all offers, negotiations, and other agreements of any kind. There are no representations or understandings of any kind not set forth herein

C. This Lease shall be construed in accordance with the laws of the State of Florida. The location for the settlement of any disputes arising out of this Lease shall be Orange County, Florida.

D. If any term of this Lease is found to be void or invalid, such invalidity shall not effect the remaining terms of this Lease, which shall continue in full force and effect.

E. This Lease may be amended or modified at any time during the term of the Lease by the mutual, written agreement of the parties.

F. Time is of the essence with respect to all provisions of this Lease, including the performance of all obligations of the parties provided for herein.

This Lease has been executed by the parties as of the date set forth above.

SIGNATURES BEGIN ON NEXT PAGE

CITY OF ORLANDO, FLORIDA

By: [Signature]
Mayor Pro Tem

Attest:
By: [Signature]
Alana C. Brenner, City Clerk

APPROVED AS TO FORM AND LEGALITY
for the use and reliance of the
City of Orlando, Florida, only.

October 15, 2004.
[Signature]
Assistant City Attorney

COMMUNITY REDEVELOPMENT
AGENCY

By: [Signature]
Buddy Dyer, Chairman

Attest:
By: [Signature]
William F. Billingsley, III, Executive Director

SIGNATURES CONTINUED ON NEXT PAGE

UNIVERSITY OF CENTRAL FLORIDA

By: [Signature]
Dr. Terry L. Hickey
Provost

ATTEST:
By: [Signature]
Dr. Kathryn L. Seidel
Dean, College of Arts and Sciences

Legal Content Approved
[Signature], 10/11/04

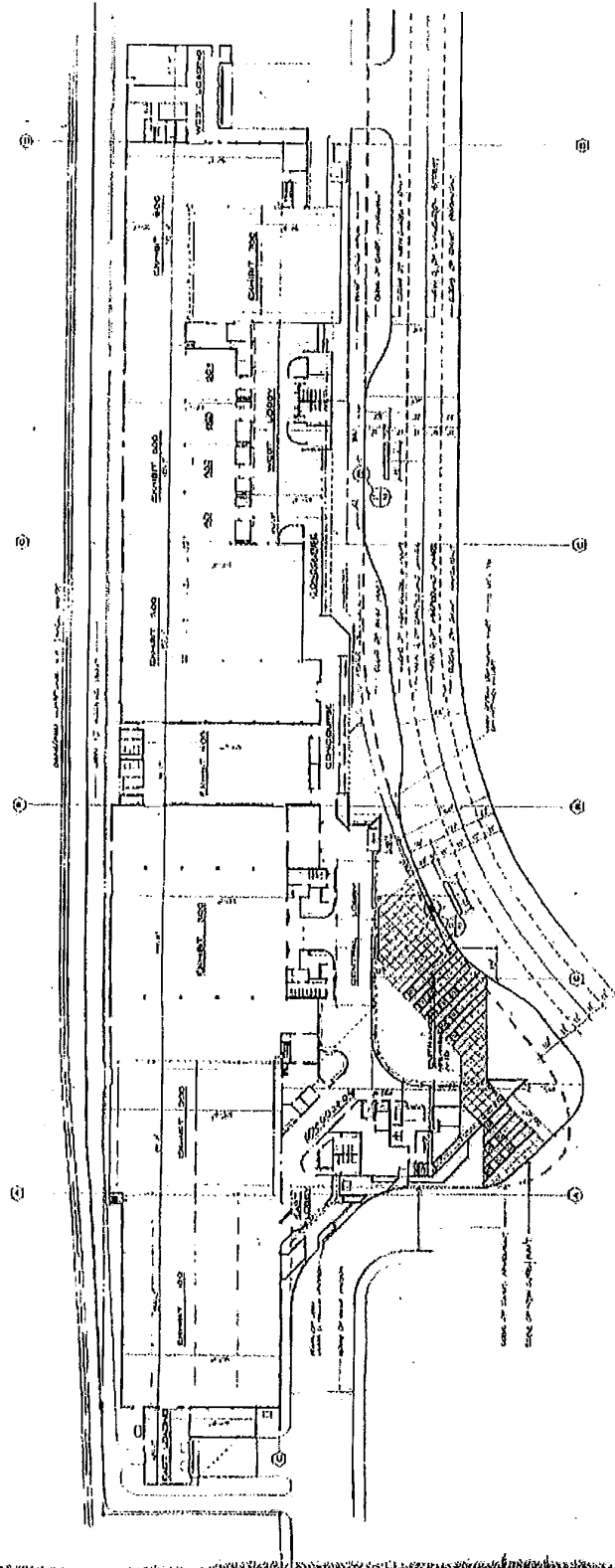
UNIVERSITY OF CENTRAL FLORIDA
FOUNDATION, INCORPORATED, as fiscal agent

By: [Signature]
Name: ROBERT J. HANES, JR.
Title: C. F. O.

ATTEST:
By: [Signature]
Name: Margaret Jarrell-Cole
Title: Legal Counsel

EXHIBIT A
LEASED PREMISES

Exhibit A



MASTER FLOOR PLAN
NORTH

Jul 29 04 03:52p

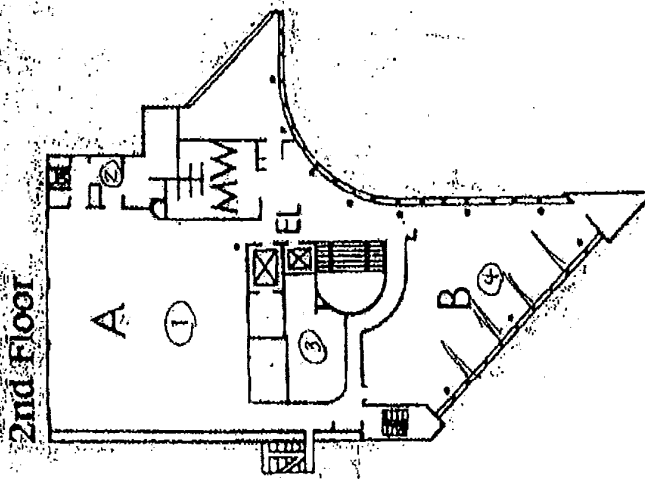
CNS Dean's Office

(407) 823-0591

p. 4

3

Exhibit A
 PHASE I (continued) TIME ASAP
 COMS SPACE
 FACULTY OFFICES



1. COMS research lab
 (see page 4 for layout)
2. Tech Support
 (demo kitchen facilities,
 distribute power, networking
 telephones)
3. Tech Staff - 3 stations
 (demo temporary wall)
4. Faculty offices - create
 as many as possible using
 approximately 140 sq. ft for
 site with glass exposure as
 much as possible - floor to
 ceiling for privacy/security

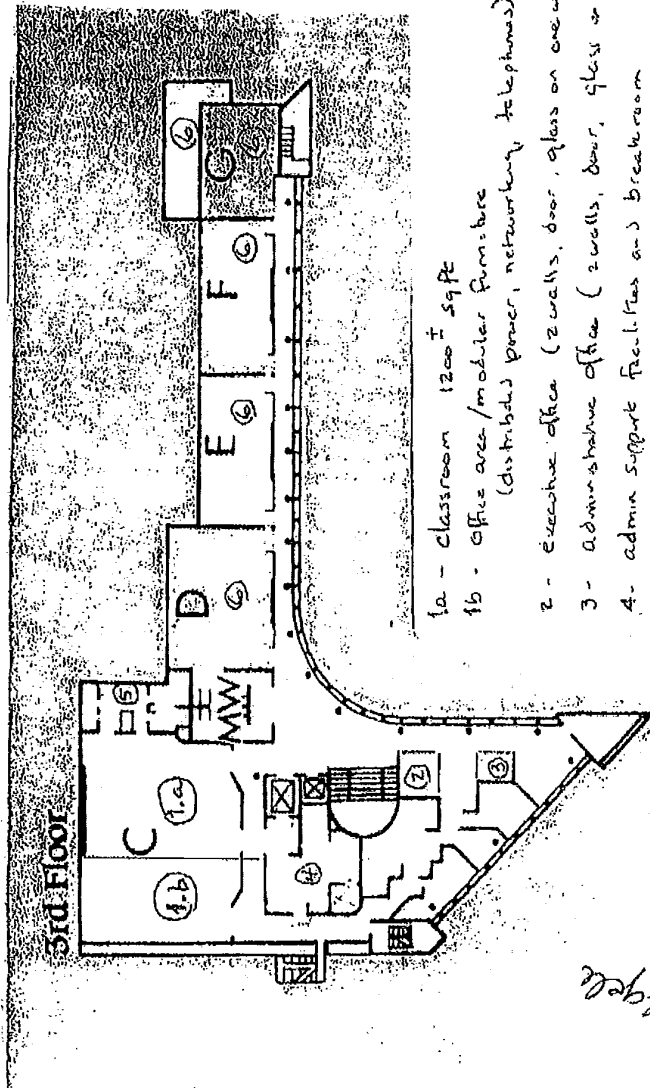
Jul 28 04 03:52p

CHS Dean's Office

14071023-0591

p.3

Exhibit A
 PHASE I: TIME ASAP
 SFOM SPACE



- 1a - classroom 1200 ± sq ft
- 1b - office area/modular furniture (distributed power, networking, telephones)
- 2 - executive office (2 walls, door, glass on one wall)
- 3 - administrative office (2 walls, door, glass on one wall)
- 4 - admin support facilities and break room
- 5 - classroom support (demo kitchen facilities, distributed power)
- 6 - visual language labs (distributed power, networking)

2.

57 people
 for local

UCF Downtown Proposal for Florida Board of Governors

Appendix C

Valencia College Letter of Support

VALENCIA COLLEGE

January 27, 2015

John Hitt, Ph.D.
President
University of Central Florida
4000 Central Florida Boulevard
Orlando, FL 32816

Dear John:

I would like to provide a brief update on Valencia's planning for the partnership campus in downtown Orlando.

First, we are delighted to be partnered with you in this important work and especially take to heart the responsibility to bring services to residents already in and near the proposed site.

We are planning with your team to provide the bulk of the lower division and general education coursework and the services that wrap around them, although we recognize there may be baccalaureate programs where it will be appropriate for UCF to offer a course in the major even at the sophomore level. Together, we will build advising, registration, and other "intake" services that will present a single system interface to the students.

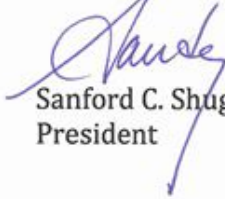
Signature programs in planning for relocation to the downtown site include computer graphics and interactive design and the Walt Disney World Center for Hospitality and Culinary arts, comprising a suite of majors related to hospitality management and, obviously, high level culinary training. Slightly more than 2,000 students are currently enrolled in these programs. Additionally, while not relocating them, we plan to expand programming in arts and entertainment to the site, including film technology, music recording technology, etc.

Our short- and long-term programmatic plans for the downtown site do not duplicate academic programs planned to be offered by UCF. We will continue our longstanding commitment to offer complementary programs that complete high-demand academic and workforce pathways in Central Florida and to extend residents a broader on ramp to high education.

All of these decisions have been vetted with Valencia's Board of Trustees, and the college already has approval for a downtown campus from the State Board of Education going back many years – the authority under which our Downtown Center operated on the corner of Orange Avenue and Church Street.

Please know that Valencia will continue to work vigorously in partnership with the university to fulfill the vision of this important investment in the future of Orlando.

Yours truly,

A handwritten signature in blue ink, appearing to read "Shugart", with a long, sweeping underline that extends below the printed name.

Sanford C. Shugart, Ph.D.
President

ITEM: FF-2

**University of Central Florida
Board of Trustees**

SUBJECT: UCF Convocation Corporation Transfer of Funds to the Golden Knights Corporation

DATE: January 29, 2015

PROPOSED BOARD ACTION

The UCF Convocation Corporation seeks approval to transfer \$2,600,000 as an unrestricted gift to the Golden Knights Corporation.

BACKGROUND INFORMATION

The UCFCC has approximately \$2,900,000 in an unrestricted surplus account maintained by the arena bond trustee. These funds would normally be transferred to the university and used to support the arena project in future years should additional funds be needed. No immediate need for these surplus funds exists because of savings generated from the refinancing of the UCFCC housing debt in 2014, expected savings from arena debt refinancing to take place in 2015, and existing unrestricted surplus dollars previously transferred to the university from the arena trustee. The transfer will be used by the Golden Knights Corporation to construct the East Side Club in the Bright House Networks Stadium.

Supporting documentation: None

Prepared by: John C. Pittman, Associate Vice President for Administration and Finance, Debt Management

Submitted by: William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer