UNLV will provide an update related to the UNLV Football Complex project and request approval for a plan to finance its construction. The Football Complex will provide an exceptional football training, performance, academic support, and administration facility to support UNLV Football in achieving excellence both on and off the field (the “Project”).

Project Plan
The Project is planned to be approximately 73,000 square foot, two-story facility, located at the north end of the existing UNLV Football Practice Field on the UNLV Maryland Parkway Campus (see renderings attached hereto as reference materials). Spaces and facilities planned to be a part of the Project include strength and conditioning areas, locker rooms, players’ academic tutoring and study areas, coaching facilities and offices, laundry facilities, equipment rooms, “training table” kitchen/dining facilities, meeting rooms, and other building components to support the UNLV Football program. During the Board’s approval of the UNLV Campus Master Plan Update in December 2015, the Board approved football practice fields and a football complex on the northwest corner of the UNLV Maryland Parkway Campus. The proposed location of the Project is at the location of the existing football practice fields, with the complex just north of the existing practice fields. In the Campus Master Plan Update that UNLV is presenting during the September 7-8, 2017 meeting, UNLV is requesting the Board approve the proposed location of the Project.

The overall Project cost is currently estimated to be $28,500,000, exclusive of any financing costs or unanticipated construction inflation costs that may or may not exist at the time of formal bids and/or guaranteed maximum price proposals for the project. To provide flexibility with commencement of construction and project delivery, UNLV plans to obtain financing and move forward with construction of the building at an estimated cost of $22,250,000, which would result in a building that is eligible for a certificate of occupancy (hereinafter “C of O”). This price does not include funding and purchase/delivery of furniture, fixtures, and equipment (hereinafter “FF&E”), or some construction items that are not required in order to receive a C of O. UNLV would like to move forward with this alternate project development option, which will allow the project to proceed in a reasonable pace of progress and provide an effective project risk strategy related to completion milestones, while fundraising is being completed for the FF&E and construction scope items not required to receive a C of O.

Past project activities for the Project, aside from fundraising, include planning and consideration of a project delivery method that would proceed via a “public-private partnership” (P3) model through the UNLV Foundation. However, upon further assessment, it was determined that the P3 delivery approach was not the best course of action for this project, and UNLV has redirected the project to proceed according to a more traditional university project delivery method. Although the design for the project is substantially completed, construction work will be solicited through an open and competitive process, in accordance with Nevada Revised Statutes (“NRS”) Chapter 338 and all other applicable Board policies. UNLV will advertise and release the solicitation in early September 2017, with an intended construction commencement date at the end of 2017 or early 2018 (dependent upon the construction financing).

UNLV is currently engaged in fundraising and planning activities for the development of the Project. To date, UNLV has received cash gifts and donor pledges totaling $18,245,748 toward the Project, with approximately $6,400,000 in cash received to date by the UNLV Foundation as of July 31, 2017. UNLV continues to pursue donors for the project and has a variety of requests for donor funds in progress, which include cash and in-kind donation options. UNLV intends to seek authorization from the Board of Regents
for naming the Football Complex at a subsequent meeting, in accordance with NSHE Procedures and Guidelines Manual Chapter 1, Section 2 (2).

**Financing Plan**

Similar to other gift funded projects, although gift agreements are in place to substantially fund the construction to a C of O on the facility, the gift funds will be received generally over five years and as such, UNLV is proposing a bank loan in the amount of $15,950,000 to provide funds sufficient to complete construction of the Project, including transaction costs. Donor funds will be used to retire the bank loan with an allocation from campus investment income funds in an amount sufficient to cover any fundraising shortfall, if needed.

To enable maximum flexibility in selecting a best financing proposal, UNLV has included for Board approval both a form of note, as well as a form of credit agreement for the proposed financing. This will allow for either a loan that is fully drawn at closing or one with a draw-down feature. In addition, there is flexibility to borrow on either a fixed or variable interest rate basis. It is expected that the form of the note is sufficient documentation for the financing if it is fully funded at closing. However, recent transactions that included a draw-down provision (UNLV Hotel Admin Building and UNLV Medicine Faculty Practice Plan) required an additional continuing covenant or credit agreement by the lenders. UNLV anticipates releasing both documents with the request for financing and then selecting the proposal response that provides the most advantageous terms.

**3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:**

UNLV President Len Jessup requests (1) approval to move forward with the UNLV Football Complex as described herein, and (2) approval of the Project financing plan and a resolution to authorize the issuance of a promissory note in an amount not to exceed $15,950,000 to be repaid from donor contributions with any fundraising shortfall covered by campus investment income funds. President Jessup further requests that the Chancellor be authorized to finalize, approve, and execute any additional documents necessary to complete the transaction described herein; provided such documents are first approved as to legal form by the Vice Chancellor for Legal Affairs.

**4. IMPETUS (WHY NOW?):**

UNLV has made significant progress related to the fundraising and planning of the UNLV Football Complex.

**5. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:**

Development and completion of the UNLV Football Complex will significantly enhance the capabilities and potential for future success of the UNLV Football program.

**6. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:**

As proposed, the Project would be complete to certificate of occupancy with approximately $6.3 million in furnishings and equipment unfunded. Although it is expected that additional pledges and in-kind contributions will result in full funding of the project, these additional commitments are not yet in place.

**7. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:**

Not approve the financing request and delay construction of the Project until fundraising results fully support the Project budget.

**8. COMPLIANCE WITH BOARD POLICY:**

- Consistent With Current Board Policy: Title #_____ Chapter #_____ Section #______
- Amends Current Board Policy: Title #_____ Chapter #_____ Section #______
- Amends Current Procedures & Guidelines Manual: Chapter #_____ Section #______
- Other:________________________________________________________________________

**X Fiscal Impact: Yes X No ____

Explain: The maximum annual debt service of the proposed bridge financing is estimated at $3,200,000 over 5.5 years and will be funded from donor funds accordingly, with any fundraising shortfall covered from campus investment income funds.