

**NORTH GOLF COURSE
FREQUENTLY-ASKED QUESTIONS and COMMENTS
from the NORTH GOLF COURSE NEIGHBORHOOD ASSOCIATIONS MEETING
Sunday, November 4, 2007**

Is this part of the University's educational Mission, and how does this development serve the lives of students and faculty?

To be sure, our core missions are education and research, but to fulfill them – and especially to do so in a way that ensures student success and institutional excellence -- UNM needs revenues. To protect the taxpayers, the University receives less than 22 percent of its funding from the State of New Mexico, and the \$2 million in net proceeds of this project will enable us to leverage nearly \$29 million in borrowing, which will allow us to produce major renovations of our academic facilities including long-overdue modernization of classrooms; construct an Interdisciplinary Film and Digital Media Facility; renovating the future Robert Wood Johnson Health Policy Center; construct Phase II of the College of Education facility; renovate the South Campus Student Success Center; renovate the Tamarind Institute; construct the Main Campus Student Success and Health Center; and complete Phase II of the new addition to the Biology building.

What are the alternatives?

The Request for Information resulted in a number of ideas for development of University properties, but this concept stood out for its ability to preserve existing green space and minimize the commercial impact. Other ideas for the North Golf Course, including high-density student housing and commercial development, have been circulating for more than 40 years, but the Regents are not inclined to pursue projects that will have such a serious and negative impact on the property.

What about the idea of a "Conservation Easement," which, under recent changes in the law, can result in significant tax credits which in turn can be sold to third parties to generate revenue?

The RFI that the University issued did not restrict the manner in which potential lands could be developed. Although "conservation easements" have been used around the country, UNM does not have any direct experience with this land use concept. As such, UNM would like to further explore this possibility and determine any societal and financial benefits of the easement.

Why not work a Memorandum-of-Understanding with the City of Albuquerque to manage the property, or turn it over as a City Park, or use it as a Science Learning Lab?

The problem is that the University needs revenues far in excess of the \$25,000 in net profits that are now generated from the property. Simply put, we owe a responsibility to the taxpayers of New Mexico, our students and tuition-paying parents to develop the property we own. Nevertheless, we intend to do so in a socially-responsible way that minimizes any negative impact on the community at large.

How do you know this Continuing Care Retirement Community will be a viable business, especially when other senior citizen facilities nearby are not operating at capacity?

The Real Estate office and the Rodey Firm have conducted preliminary due diligence, and are currently expanding their scope of review. That being said, preliminary market research confirming

the viability of this project has been undertaken by CRSA, a well-respected company that has been providing services to the senior housing industry for 17 years, with in-house capabilities for development, marketing and financial consulting. CRSA advises us that, based on its market analysis, this is the most attractive location for such a facility that the company has seen in at least five years.

The North Golf Course and the jogging/walking track are not just neighborhood issues, but affect the entire City of Albuquerque.

That's why the University has taken such extraordinary steps to reach out to the entire community, including extensive meetings with the media, participation in city-wide Town Hall meetings, appearances before civic and professional organizations – even posting the Question-and-Answer sheet you're reading right now. Additionally, the University has requested the participation of a Community Advisory Board, including representatives from the greater Albuquerque community at large, to recommend steps to minimize the impact of the project.

How can the University carve up the last, largest green space remaining in the City of Albuquerque – and the last remaining part of the east mesa?

Not to diminish the importance of the North Golf Course, but the truth is that we're fortunate in Albuquerque to be a national leader in maintaining parks and unspoiled green spaces. According to a 2007 independent study of 60 of the largest US cities by the Trust For Public Land, we rank Number 1 in the country in park area as a percentage of total land area (about 28.7 percent), and number 2 in the country in park area by population (67.2 acres per 1,000 residents). Altogether, residents of the City of Albuquerque are fortunate to enjoy 33,235 acres of parks and green space; comparatively, the North Golf Course represents only 80 acres. Even considering golf courses alone, Albuquerque has 18 different courses ranging in size from 9 to 27 holes, with a combined estimated land mass of about 4,000 acres.

Isn't it a fact that the University's fiduciary responsibilities go beyond matters of finance and extend to the good stewardship of lands as well?

Indeed. That's why the University rejected proposals going back as early as the 1960s that would have eliminated the North Golf Course altogether, replacing it with high-density student housing, commercial development or both. This project, we believe, has the potential to fulfill both our responsibilities to the taxpayers to maximize income from the property, and to the community at large for prudent stewardship of the land.

Regardless of the importance of this project financially, UNM risks losing the support of the community which could harm the University in the long run, including loss of bond elections, legislative appropriations and the like.

We value the public's support for this institution, especially from the surrounding neighborhoods and the Albuquerque community at large. That's why we're engaging in extensive public information efforts to set the record straight. We'll continue to work with our neighbors, user groups and the greater community to minimize the negative impact of the project and ensure that your voices are heard.

UNM has acted prematurely to select CRSA, whose CEO, Joseph Canozaro, is a major Republican donor.

For the record, no contractual arrangements have yet been entered into, no selections have been made, and any final decision in that regard must await a decision by the Board of Regents. The UNM Real Estate office has begun to conduct its due diligence on all of the firms selected, including CRSA. UNM has engaged the Rodey Law Firm in this endeavor. Due to some concerns by UNM stakeholders, the Rodey Firm has been asked to expand its scope of review and report back to the Real Estate office as soon as possible.

A preliminary review of CRSA has revealed that the company is in its 17th year of providing services to the senior housing industry, and has in-house capabilities for development, marketing, financial consulting, and operation of all facets of senior housing from independent living through skilled nursing. The company currently has 30 active clients in 20 states and has developed more than \$1 billion in senior housing with 3,000 employees, 10,000 residents, and total operating budgets in excess of \$100 million. It enjoys near universal recognition as one of the nation's leading developers, marketers and managers of senior housing (and, more specifically, university-related senior housing). The company's CEO has not played any role in any discussion relating to UNM.

This process has been secretive, with the community having no input into the Request for Information (RFI) which gave rise to this proposal.

The Request for Information (RFI) was published in February 2007 and resulted in submissions from eleven different development teams, including one from The North Course Group, Inc., comprised of residents of the neighborhoods adjoining the North Golf Course. Additionally, the University began formally circulating plans calling for outright elimination of the golf course as early as the 1960s with the publication of the John Carl Warnecke and Associates plan.

What's the rush? Why can't this plan be delayed pending completion of the Strategic Plan and the Master Plan?

Although the Strategic Plan and the Master Plan are still in the works, the academic projects being funded by the proposed development are not dependent upon their completion. The nearly \$29 million that will be leveraged through the \$2 million in net annual revenues from this project will be used for long-overdue modernization of undergraduate classrooms; construction of an Interdisciplinary Film and Digital Media Facility, Phase II of the College of Education building, the Main Campus Student Success Center and the Robert Wood Johnson Health Policy Center; as well as renovation of the Jonson Gallery, the South Campus Student Success Center and the Tamarind Institute; and completing Phase II of the new addition to the Biology building.

With all the properties owned by UNM, why can't the CRSA development occur at some other location?

The other locations owned by UNM are being reserved for student housing and the development of retail services that will support these housing projects, the University and greatly enhance the Albuquerque community as a whole. They are inappropriate, both in terms of size and location, for the development of the Continuing Life Care Community being considered for the North Golf Course.

This project will kill a neighborhood. The golf course is the heart of this neighborhood, and this plan cuts out the heart.

This plan will not "cut out" the Golf Course. In fact, we're determined to *preserve* and *improve* the Golf Course and the jogging/walking track, with significant enhancements. Additionally, we will work

closely with representatives of the neighborhood, the users groups and the greater Albuquerque community to ensure that the ultimate impact of any project is minimal.

Why not put this development on the South course?

The individuals that this new development will be marketed to have a desire to be a part of an established neighborhood with established community ties: they want to be a part of a community. Additionally, the UNM South golf course does not enjoy the same proximity to many of the amenities and services that the new residents would like to utilize. Our Health Sciences Center and our academic amenities are among the biggest draws for Lobo Village. Moving it further away from campus will additionally diminish the connection this new development has to the University's research and academic missions.

To date, there has been a lack of information. Why?

Because no decisions have been made. Now that the Request for Information has resulted in a submission that may be suitable, we are attempting to keep all of the stakeholders informed of developments – neighbors, user groups and the larger Albuquerque community. Additionally, we are establishing processes designed to ensure the input of all concerned citizens, so the ultimate product will be of benefit to everyone.

What are the comparable issues of water usage?

The current golf course configuration uses too much water. UNM plans to replace the existing irrigation system and include the use of gray water, which will reduce run off and recycle non-potable water. Additionally, we plan to make the golf course xeric in nature, which will allow us to beautify the course with native plants and greatly reduce water consumption.

The City is willing to take over the management of the golf course, and Mesa del Sol may be a potential partner with experience in sustainable green spaces; why not work with the community at large and the neighborhoods to develop a plan that preserves the golf course in its present 9-hole configuration?

While it is unlikely that this development will be compatible with the current configuration of the golf course, we are determined to work with the community to develop a plan that leaves as much of the course intact as possible. We have set up a process by which a Community Advisory Board, consisting of neighbors and users of the course and the running track from around the city will have input into its design.

Won't this project reduce the value of neighboring properties?

There is no evidence to suggest this development will reduce property values. Out of respect for our relationships with our neighbors (many of whom are UNM alumni, faculty, parents or all three), we are determined to make sure this project is designed and managed in such a way as to minimize its impact upon property values of the surrounding community. Already, we have obtained modifications that will preserve the magnificent vistas that our neighbors rightly treasure. We've greatly enlarged the golf course, and we've re-routed access in and out of the facility in a way that will reduce traffic. We will continue to work closely with our neighbors – and with the entire Albuquerque community – to ensure that this project is done in a socially responsible way.

One study has identified 75 species of birds within these 80 acres, and 1400 native trees. What will be done to protect them?

We have already worked carefully to tailor the development to protect as many native trees as possible, and we will continue to do so with the input of community representatives. No endangered species have been identified in this parcel.

UNM has handled this matter behind closed doors and not in a transparent manner.

Until now, there was very little to report. The Request for Information was made public, and, once a final group of submissions had been identified, this fact, too, was made public. We've held open public meetings with neighbors on the plan, briefed local media on it, posted our information on the website, and you're reading our responses to dozens of questions that were asked of us. Recognizing the public's interest in this matter and our role as a public, taxpayer-owned University, we'll continue to be as open and transparent as possible.

\$2 million in revenue is not worth losing a portion of the course.

The \$2 million in annual revenues that this development will generate will enable the University to issue almost \$29 million in bonds that will permit us to perform long-overdue modernization of classrooms; construct an Interdisciplinary Film and Digital Media Facility, Phase II of the College of Education building, the Main Campus Student Success and Health Center and the Robert Wood Johnson Health Policy Center; as well as renovate the Jonson Gallery, the South Campus Student Success Center and the Tamarind Institute; and complete Phase II of the new addition to the Biology building.

What is the process now?

First, we will convene the Community Advisory Board, consisting of representatives from the neighborhood, user groups and the greater Albuquerque community, to find ways to minimize the impact of the proposal. We anticipate their final report no later than January 31, 2008. A formal approval of bonds to fund academic construction and modernization will be requested of the Regents on December 6, but no decision on whether or how to proceed with the North Golf Course project will be made until after the community advisory board has had the chance to make its recommendations. The UNM Real Estate office began due diligence on all of the finalists while at the same time, engaging the Rodey Firm to conduct a similar analysis. Due to some concerns that have been brought up, UNM has asked the Rodey Firm to expand their analysis of each of the respondent firms.