

MINUTES

BOARD OF REGENTS COMMITTEE ON INSTITUTIONAL SUCCESS MEETING

FEBRUARY 15, 2024

A video recording of this meeting may be viewed at the Board of Regents website as follows:

[Meeting Video](#)

I. CALL TO ORDER

Chair Gabriel Lee called the meeting to order at 3:01 p.m. on Thursday, February 15, 2024, at the University of Hawai'i (UH) at Hilo, Daniel K. Inouye College of Pharmacy, Hale Kīho'iho'i Room 10, 722 South Aohoku Place, Hilo, HI 96720, with regents participating from various locations.

Committee members in attendance: Chair Gabriel Lee; Vice-Chair Lauren Akitake; Regent Neil Abercrombie; Regent Wayne Higaki; and Regent Diane Paloma.

Others in attendance: Board Chair Alapaki Nahale-a; Regent William Haning; Regent Laurel Loo; Regent Abigail Mawae; Regent Laurie Tochiki; Regent Ernest Wilson (ex officio committee members); President David Lassner; Vice President (VP) for Administration Jan Gouveia; VP for Academic Strategy Debora Halbert; VP for Community Colleges Erika Lacro; VP for Legal Affairs/University General Counsel Carrie Okinaga; VP for Research and Innovation Vassilis Syrmos; VP for Budget and Finance/Chief Financial Officer Kalbert Young; UH-Mānoa (UHM) Provost Michael Bruno; UH-Hilo (UHH) Chancellor Bonnie Irwin; UH-West O'ahu (UHWO) Chancellor Maenette Benham; Executive Administrator and Secretary of the Board of Regents (Board Secretary) Yvonne Lau; and others as noted.

II. APPROVAL OF MINUTES

Chair Lee inquired if there were any corrections to the minutes of the November 2, 2023, committee meeting which had been distributed. Hearing none, the minutes were approved.

III. PUBLIC COMMENT PERIOD

Board Secretary Lau announced that the Board Office received late written comments from Bronson Azama, President-elect of the Associated Students of the University of Hawai'i (ASUH) along with an attached ASUH resolution in opposition to the university's status as a University Affiliated Research Center (UARC). Mr. Azama also provided oral comments on UHH student housing, extramural research funding at the University of Hawai'i, and UARC.

Jill Nunokawa provided oral comments on extramural research funding at the University of Hawai'i.

Kyla-Marie Kauhahao Turner provided oral comments on UHH student housing.

Written testimony may be viewed at the Board of Regents website as follows:

[Late Written Comments Received](#)

IV. AGENDA ITEMS

A. Request Board Approval of an Indemnification Provision in a Contract Issued by the American Library Association (“ALA”)

VP Symos presented background information on the request to approve the aforementioned indemnification provision stating that it will allow UHM Library Services to install and present an exhibition entitled *Americans and the Holocaust* for a five-week period in the lobby of Hamilton Library which is being funded through a grant from the ALA.

Regent Paloma moved to recommend board approval of an indemnification provision in a contract issued by the ALA, seconded by Regent Higaki and the motion carried with all members present voting in the affirmative.

B. UHH Student Housing Presentation

Chris Holland, Vice Chancellor for Student Affairs (VCSA) at UHH, provided an overview of UHH student housing which, similar to student housing at UHM, operates as a special fund program and, as such, is expected to be financially self-sustaining, generating sufficient revenues to cover operational expenses as well as capital investments. He spoke about the positive impacts student housing and the student housing experience can have on a student's academic success as indicated by various data sets collected on this issue; reviewed the organizational hierarchy of the UHH University Housing Program (UHH UHP); presented data on the five residence halls currently utilized by around 800 students noting each structure's age, room and bed counts, rental and occupancy rates, and meal plan rates; discussed the complexities involved and challenges faced in operating and maintaining a university residential facility; highlighted some of the completed, ongoing, and planned renovation projects for each residence hall; touched upon UHH UHP's plan to conduct a thorough assessment of its residence halls in order to obtain an accurate indication of their ranking on the facility condition index although it is believed the student housing facilities would currently be graded as fair; and pointed out that UHH UHP brings in roughly \$4 million in annual revenues while incurring approximately \$3.5 million in expenses. He also talked about the residential life component of student housing at UHH providing examples of available programs and services geared towards fostering a sense of belonging, promoting student engagement and responsibility, ensuring student safety and well-being, and supporting academic success.

Regent Wilson questioned whether the \$3.5 million in operational expenditures for UHH UHP was inclusive of basic repair and maintenance costs and residential life program expenses. VCSA Holland replied in the affirmative.

Referencing the planned renovations for each of UHH's residence halls, Vice-Chair Akitake asked if funding had already been secured for these projects or if they were part of UHH UHP's wish list. VCSA Holland responded that the projects were priorities for UHH UHP intended to be embarked upon once budget reserves were sufficient to address the matter.

Vice-Chair Akitake sought clarification as to the meaning of organic growth consultant which was included in the list of upcoming work for the Hale 'Alahonua residence hall and asked if this was the student housing facility referenced in earlier public comments. VCSA Holland replied that an organic growth consultant was an individual who analyzed air circulation and how mold affects a facility. He also stated that Hale 'Alahonua was not the residence hall the UHH student was referencing during public comments but stressed all student housing facilities will be addressed by the organic growth consultant.

Board Chair Nahale-a inquired as to whether any of the UHH student housing facilities were experiencing problems with black mold. VCSA Holland responded that UHH UHP has not detected the presence of black mold within any of its residence halls but has discovered mildew issues which is a vastly different matter. He also stated that representatives from the UHH Student Association meet regularly with the UHH UHP administration to discuss issues related to student housing facilities.

Citing the residence hall occupancy rates provided in the data related to student housing inventory at UHH, Board Chair Nahale-a asked if the vacant rooms at each facility were actually occupiable. VCSA Holland replied that very few rooms at UHH's residence halls are offline and the majority of vacant units at these facilities are occupiable. Given this information and expressing his belief in the impacts of market forces on student housing occupancy rates, Board Chair Nahale-a questioned if there was a particular reason for these rooms remaining vacant. VCSA Holland replied that many students seeking on-campus housing prefer apartment as opposed to the dormitory style accommodations encompassed by the vacant units.

Conversations took place between Board Chair Nahale-a and VCSA Holland on the affordability of UHH student housing as compared to market rates, off-site housing options for UHH students, approaches to addressing some of the housing preferences desired by students, the importance of the overall on-campus experience to student success, and the expectation of equity and tolerance at UHH housing facilities.

Taking into account the positive balance between UHH student housing revenues and expenditures which amounts to approximately \$500,000, Regent Wilson asked if these are the funds UHH UHP intends to utilize for the planned renovation projects mentioned earlier. VCSA Holland responded in the affirmative but emphasized the insufficiency of these funds to address the projects mentioned in their entirety. As such, UHH UHP expects to undertake these projects in an incremental fashion so as to use the available monies in the most effective and efficient manner possible.

Regent Abercrombie sought clarification on UHH's affiliation with the off-site housing options for students mentioned in the presentation. VCSA Holland replied that while

UHH students do reside in the noted off-campus housing sites, UHH UHP has no oversight authority over those facilities as they are privately owned.

Discussions ensued between Regent Abercrombie, VCSA Holland, and Kalei Rapoza, Vice Chancellor for Administrative Affairs (VCAA) at UHH, about UHH's responsibilities with respect to off-site housing owned or managed by a private third party in which UHH students reside, particularly with respect to instances where health and safety concerns are raised. Chancellor Irwin assured regents that the UHH administration takes any issue concerning student housing brought to its attention seriously, regardless of who owns, operates, or manages the facility. However, she pointed out that UHH does not have jurisdiction over privately-owned, off-campus housing sites even though UHH students may reside in the building. Nevertheless, if UHH is made aware of a problem at an off-campus residence, it will refer students to the most appropriate authority with the responsibility of addressing the situation.

Regent Mawae asked if plumbing and electrical issues were recently experienced at UHH's Hale 'Ikena and Hale Kauanoë residence halls, whether they led to the closure of facilities, and what was done to accommodate affected students. VCSA Holland replied that both Hale 'Ikena and Hale Kauanoë have experienced plumbing issues with selected areas of Hale Kauanoë witnessing wastewater backup. Although some rooms were taken offline, these incidents did not result in building closures. As for electrical problems, there was a blow out of a transformer at Hale 'Ikena which resulted in the residence hall losing electricity. In this case UHH UHP temporarily relocated affected students to other facilities. While the transformer at Hale 'Ikena is still down, electricity to the building has been restored via a workaround. Additionally, plumbing work at UHH residence halls is included in UHH UHP's planned renovation projects.

Dialogue took place between Regent Abercrombie and Ms. Turner regarding the student housing experiences of LGBTQ and transgender individuals at UHH brought up during public comment. Regent Abercrombie encouraged Ms. Turner and others to bring any issues such as these to the attention of student government representatives at UHH and the UHH administration should they occur in the future.

Regent Mawae applauded Ms. Turner for bringing this matter to the attention of regents since issues like these can sometimes fall through the cracks and are not being addressed in an appropriate and timely manner.

C. Recommend Board Approval of Authorizing the University of Hawai'i to Enter into a Sixth Amendment to the Ground Lease with the Adult Student Housing Hawai'i, Inc (ASH Hawai'i) for the Hale Kāwili Apartments at UHH

VP Young provided background information on the administration's request to enter into a sixth amendment to the ground lease for the Hale Kāwili apartments at UHH, explaining that, while the student housing complex is located on university property, it is owned, operated, and managed by ASH Hawai'i, a Hawai'i non-profit corporation. He reviewed information on the number and types of units available at the student housing complex, highlighting the desirability of these residences given it is the only multi-family facility on campus; went over rental and occupancy rates, noting the complex is fully

occupied at present; discussed eligibility requirements for residents; reviewed a historical timeline of previous lease agreements entered into with ASH Hawai'i, underscoring the current lease's scheduled expiration date of June 30, 2024; and pointed out the current proposal to extend the lease term for one year with a mutual option for a second year will allow ASH Hawai'i to continue to provide affordable housing to UHH students and their families until such time a new master lease can be entered into be it with ASH Hawai'i or another entity.

Chancellor Irwin presented information on the make-up of residents at Hale Kawili which includes faculty, staff, and students from both UHH and Hawai'i Community College, international students, and UHH student-athletes, and reiterated the 100 percent occupancy statistic. She also stressed the importance of this facility to UHH and mentioned UHH's contemplation of several alternatives prior to settling on the option campus administrators believe is in the best interest of students.

VCAA Rapoza spoke about the alternatives considered by UHH prior to its decision to pursue the issuance of an invitation to submit proposals (ISP) to identify and select a developer to assume ownership, management, and operations of Hale Kāwili, including all financing of capital improvements; mentioned a property condition assessment conducted in 2023 and a market study completed in January 2024 which served as the bases for this decision; discussed the rationale for seeking a one year ground lease extension with ASH Hawai'i, as well as the inclusion of a mutual option to extend the lease for an additional year; and went over the anticipated timeline for issuance of the ISP, selection of a developer, completion of negotiations, and submittal of a recommended contract to the board for approval.

Regent Higaki inquired if ASH Hawai'i has shown interest in continuing to own, operate, and manage Hale Kāwili. VCAA Rapoza replied that conversations have taken place with ASH Hawai'i on this matter and they are aware of UHH's desire to enter into a new long-term ground lease for the Hale Kāwili apartment complex. Despite expressing some interest, ASH Hawai'i has not made any commitments with respect to this proposal. Regent Higaki opined that this new arrangement offered the perfect opportunity for improvements to be made to the Hale Kāwili apartment complex and urged the UHH administration to do whatever it could to ensure any new developer does not find itself in a tight spot due to the conditions of the facilities.

Regent Paloma asked if the proposed lease extension inclusive of a possible second year would provide sufficient time for the completion of the ISP process, negotiations with a selected entity, and finalization of a contract for submittal to the board. VCAA Rapoza replied in the affirmative expressing his belief in UHH's ability to complete the entire process within the specific timeframe presented earlier.

Regent Abercrombie moved to recommend board approval of authorizing the university to enter into a sixth amendment to the ground lease with ASH Hawai'i for the Hale Kāwili Apartments at UHH, seconded by Regent Paloma, and the motion carried with all members present voting in the affirmative.

D. Semi-Annual Extramural Awards Update

VP Syrmos reported that the university received approximately \$306.4 million in extramural awards as of December 31, 2023, which was around five percent lower than the same period last fiscal year. While this figure had risen to \$387.3 million as of January 31, 2024, which was a roughly 14.5 percent increase over the same period last fiscal year, more up-to-date numbers show even greater promise with \$420 million being received as of February 15, 2024. If this current trajectory continues, the university anticipates receiving in excess of \$500 million in extramural research funding for the third year in a row. VP Syrmos also reviewed a number of the more significant research projects embarked upon during the first six months of the FY 2024; provided a breakdown of trends, significant awards, award amounts, and major changes in extramural funding received by campus; predicted the university will receive more than \$525 million by the close of FY 2024; went over a few of the challenges faced by the university's Office of Research Services (ORS) in handling the volume of extramural awards being received in addition to steps taken to address these issues; and praised the staff of ORS for their hard work on this matter as well as their dedication to the university.

Regent Mawae asked if there was a particular reason UHWO saw such a large decline in the percentage of extramural funding it has received thus far. VP Syrmos replied that, due in part to the size of the campus, the amount of extramural research funding brought in by UHWO is relatively small and generally consists of a handful of larger grants. As such, the loss of a few grants will result in a large drop in the percentage of extramural funds received for any given fiscal year.

Regent Abercrombie expressed his disappointment in, personal resentment towards, and vehement disagreement with statements made about the university's research efforts during public comment and in the resolution submitted by ASUH, particularly with respect to numerous insinuations concerning the university's Applied Research Laboratory and UARC.

Regent Tochiki sought elucidation on the concerns raised during public comment regarding President Lassner's role as a principal investigator (PI) in several UARC grants. VP Syrmos replied that President Lassner's listing as the PI on two large projects, the Maui High Performance Computing Center and the University of Hawai'i's Pacific Disaster Center, has led to statements being made by certain individuals regarding potential conflicts of interest in light of his position as president of the university. However, he noted the existence of two exceptionally capable directors who run the day-to-day operations of these centers with occasional guidance from President Lassner. As such, it was his opinion that no such conflicts of interest existed despite statements made to the contrary.

Regent Abercrombie defended President Lassner's involvement as a PI on the abovementioned projects considering his academic credentials and professional expertise. He also stated that it was not unusual for the president of an institution of higher education to be listed as a PI on such ventures.

Board Chair Nahale-a communicated his appreciation for Regent Abercrombie's passion and perspectives along with students' willingness to engage and ask questions.

He also commented on the prevalence of skepticism in today's social climate and expressed his hope for achieving greater institutional trust through increased, informative education on the issues facing the university.

E. UH Revenue Bonds Private Use Analysis Update

VP Young explained that the purpose of this update was to present information on a number of post-issuance compliance issues related to outstanding university revenue bonds, including the amount of private activity occurring on or within facilities financed through the use of these bonds, and referenced the presentation contained within the meeting materials. Although a report on this matter is required for regulatory purposes, this presentation was being provided to the board purely for informational purposes.

V. ADJOURNMENT

There being no further business, Chair Lee adjourned the meeting at 4:37 p.m.

Respectfully Submitted,

/S/

Yvonne Lau
Executive Administrator and Secretary
of the Board of Regents