

October 24-25

HERELEXI

Conference Schedule

Thursday, October 24, 2013

- 7:00 – 8:00 a.m. Breakfast in Mustangs & Burros at the Hotel
- 7:00 – 8:15 a.m. Registration in the Pacifica Pre-Function A at the Hotel
- 8:15 – 8:45 a.m. Welcome in the Learning Theatre at the Hotel
- 8:45 – 9:45 a.m. **Session 1:**
“The Future of Higher Education” – Pradeep Khosla, The University of California, San Diego
UC San Diego Chancellor Pradeep K. Khosla will discuss challenges and opportunities in higher education and real estate – from dwindling state and federal resources to increased philanthropy and collaborations among industry and academia. Attendees will gain insight into the evolving and complex leadership decisions associated with construction and renovation projects on both public and private higher education campuses.
- 9:45 – 10:00 a.m. Break
- 10:00 – 11:30 a.m. **Session 2:**
“Stark Law Implications of Real Estate Transactions” - Donna Clark, BakerHostetler, Houston
This session will include a discussion of the physician self-referral law known as the Stark Law, as well as other referral laws such as the Anti-Kickback Statutes, with a focus on assisting the real estate lawyer in determining when the laws are implicated, and how to structure leases, subleases and other real estate transactions in compliance with the laws. Specific issues that will be covered include documentation requirements and compliance with the requirements relating to payments. Actions to be taken after identification of non-compliant transactions will also be discussed, including the ability to cure and when disclosure to a governmental entity is advised.
- 11:30 – 12:30 p.m. Group Lunch in Mustangs & Burros at the Hotel
- 12:45 – 1:00 p.m. Walk to the Auditorium of the Sanford Consortium for Regenerative Medicine on the UC San Diego Campus

- 1:00 – 2:30 p.m. **Session 3:**
“Using Condominiums to Finance Expansion and Renovation of Campus Facilities” – Sally Michael and Gabriel Safar, Saul Ewing, Boston
Colleges and Universities often occupy large blocks of real estate. Unlocking the value in that real estate can be difficult because of rigid rules imposed by lenders and legislators. One response is to use commercial condominiums. Individual units can be as small as a broom closet or as large as a building envelope. Once created, units can be separately financed, sold or leased. More importantly, once conceived condominium units can later be combined or subdivided to fit future needs. The key is flexibility. This paper discusses strategies for creatively using condominiums to finance and expand campus real estate.
- 2:30 – 2:45 p.m. Break
- 2:45 – 3:45 p.m. **Session 4:**
“Sanford Consortium for Regenerative Medicine and Proposition 71: Project Development and Transaction Structure in Support of Stem Cell Research” - Jennifer B. Braswell, Ph.D., University of California, San Diego; and Nancy E. Kossan, Ph.D., Assistant Vice Chancellor – Real Estate, University of California, San Diego
Dr. Nancy E. Kossan will discuss the State of California response to federal restrictions on stem cell research and its implications for the formation of the Sanford Consortium for Regenerative Medicine comprised of representatives of four (now five) major research institutions and the development of the Sanford Consortium for Regenerative Medicine research facility. The presentation will include discussion of the project funding model in the context of the collapse of the capital markets, the facility delivery method, development hurdles, ground lease terms, the development and implementation of the “Collaboratory” agreement, the space lease, and lessons learned.
- 3:45 – 4:30 p.m. Tour of the Sanford Consortium for Regenerative Medicine, Jennifer B. Braswell, Ph.D.
How can the Sanford Consortium building help build and sustain innovation? The research teams in the Sanford Consortium seek an environment of interdisciplinary cooperation, exchange and communication. The building is designed to encourage spontaneous, unanticipated interaction. This presentation will demonstrate how spontaneous, unanticipated interaction is encouraged by the design of the building.
- 4:30 p.m. Free time
- 5:45 – 6:30 p.m. Walking Tour of the UC San Diego Campus on the way to group dinner
- 6:30 – 9:00 p.m. Group Dinner

Friday, October 25, 2013

- 7:00 – 8:00 a.m. Breakfast in Mustangs & Burros at the Hotel
- 7:00 – 8:30 a.m. Registration and CLE sign-up in the Pacifica Pre-Function A at the Hotel
- 8:30 – 10:00 a.m.** **Session 5: In the Learning Theatre at the Hotel**
“The University as Urban Anchor Institution and Developer” -
David Perry, Ph.D., University of Illinois, Chicago
Universities are place-based institutions that ‘anchor’ the development of communities. The notion of ‘campus’ has changed where the ‘city’ is a feature of the ‘campus’ and the ‘campus’ is a part of the ‘city.’ In short, both domestically and globally, the entrepreneurial university developer not only starts with the market but with the place, such that the “campus” isn’t the campus any more...it’s much more— it is an urban space. University development is increasingly “mixed use” development - blurring academic and commercial uses, the edge of the old campus, even the meaning of “university building”— increasingly making university buildings ‘urban buildings.’ For me, then, I must teach my planning students that the ‘campus master plan’ is really a ‘city plan’ and the city master plan must include the campus, making the plan for the campus an ‘urban plan.’
- 10:00 – 10:15 a.m. Break
- 10:15 – 11:45 a.m.** **Session 6:**
“What’s It Worth to You? Lessons Learned About Ground Rent Adjustments” - Joshua Stein, Joshua Stein PLLC, New York
When an institution signs a long-term ground lease with a developer, how can the institution protect itself from inflation during the term of the ground lease? Usually the parties do that by resetting the ground rent every couple of decades to reflect current real estate values. What are the pitfalls in those rent resets? How can you prevent them? And if the parties want to steer clear of land value rent resets, what other mechanisms can they use to protect the landlord?
- 11:45 – 12:15 p.m. Break (pick up box lunches)
- 12:15 – 1:00 p.m. HEREL Business Meeting and Box Lunch