

Agenda form Executive Board for the University Council

Discussion meeting	:	25 September 2019
Committee meeting	:	FPB/OOS/SI
Agenda issue	:	Renovation Drienerburght
Confidential	:	Yes / no
Attachment(s)	:	-

Involved Service Department(s): CFM/LTSH/Fij

signature: 

Secretary General: Wichman

signature: 

Responsible member Executive Board: Bult-Spiering

signature:  i.a.

1. Qualification/authority University Council:

- X For information
- To advise
- To consent
- otherwise:

2. Previously discussed:

Name of the forum: LTSH cycle

Date of the discussion: 11 June 2019

Agenda issue: Renovation Drienerburght

Conclusion: It has been advised to accept this proposal. The justification for the various budgets is clear and the business case for the ground floor is conclusive.

Name of the forum: meeting ITC faculty

Advice: ITC joins the proposal. Care must be taken to ensure continuity in education and housing before moving to Drienerburght is realized. The current construction with guaranteed living space for students at De Veste and educational space in the Citadel is a good temporary solution, which as far as ITC is concerned should also be maintained in the event of delays.

With regard to the accommodation to be realized in the Drienerburght, it is important to always take into account that the room rental has a realistic price level, but is not too high. It must be a rent that also has a level acceptable to students. This also remains important if the operation of the accommodation will be transferred to third parties at any time.

In addition, the way in which any vacancies will be dealt with must be worked out in more detail. After all, the financial situation of UCT/ATLAS leaves no room for absorbing such financial setbacks. Any financial consequences from vacancies are not at risk of ITC.

3. Abstract on the subject:

Location selection

University College Twente (UCT) with its ATLAS bachelor's program consists of two parts in terms of accommodation: the educational part and the student accommodation. The intention is that the educational part, currently located in the Citadel, goes to the ground floor of the Drienerburght and the student

accommodation goes from De Veste and Logica to the floors of the Drienerburght as much as possible. This was already decided by the Executive Board on 28 May 2018. In the meantime, the management of UCT has been transferred to ITC. Because ITC is going to the Langezijds, at the request of the UR we looked into whether it would not be better for UCT to go to this building as well. However, this analysis has led to the fact that the arguments to go for the Drienerburght outweigh the arguments for the Langezijds. An integrated development of UCT in the Drienerburght is also the preference of the managing faculty ITC.

Advantages Langezijds:

- The possibility of making optimal use of the complementary forms of education
- A practical reason why ITC already has all its educational activities concentrated in one building.

Advantages Drienerburght:

- UCT experiences a combination of studying and living (residential concept) as strengthening their concept and this is not possible in de Langezijds,
- Drienerburght needs a new function and UCT is perfect in terms of size and scale, both the student accommodation and the ground floor with the education section,
- UCT can move to the Drienerburght much earlier, namely in q1 2020. In the Langezijds this is at the earliest q1 2021. By being able to move more quickly, the space in the Citadel will also be empty sooner and will then be available to other UT tenants. The demand for space is currently high,
- As managing faculty, ITC supports the choice of the Drienerburght as currently conceived in terms of space and planning, but it is desirable that from now on there should be minimal delay,
- Given its location and link/place to Kennispark, the head of Langezijds is a top location for an exposure function and valorisation. The location of the Drienerburght between the R&D and W&L area is more suitable for education.

Property situation

During 2019 it became clear that for the Drienerburght some necessary legal issues still had to be investigated. After this analysis, the legal ownership of the real estate ('the bricks') appears to belong to the UT and not to TTOG as a result of accession (Dutch: 'natrekking'). However, economic ownership ('operation') belongs entirely to TTOG. Because primary functions will now be provided on the ground floor, this part will be economically transferred to the UT for an amount of M€ 1.025 (fiscally exempt from transfer tax). The economic ownership of the floors will remain with TTOG. The final situation is laid down in an agreement between UT and TTOG.

Operation of student units

It was decided to leave the operation of the student units to TTOG for the time being. Important reasons for this are:

- Although Camelot is a preferred supplier for furnished student rooms, cooperation is currently difficult and the University of Twente wants to consider how to cooperate in the future. This does not rule out the possibility that Camelot will still be in the picture.

- The UT wants to keep the real estate of the Drienerburght because of its strategic location on the Campus.

For matters such as lease contracts, changes, etc., De Veste was contacted to find out whether they would like to do so. In principle, they are willing to do so and in the near future we will look at how this can be worked out.

Investments and rent level

With this EB decision, the renovation of Drienerburght has been formally approved. This means that:

- The UT becomes a full owner and can invest in the ground floor and the shell of this part. It concerns 842 m² FNO with an RT1 rate. The costs for this part are fully covered by the LTSH.
- TTOG will convert the 59 furnished student rooms including shell of the floors of the building into non-autonomous units with shared kitchen and living room. The net rent is € 275 per month. The renovation costs of the rooms are at the expense and risk of TTOG.

	Begane grond (UT)	Verdiepingen 59 kamers (TTOG)
Verkrijging volledig eigendom	€ 1.025.000,00	-
Bouwkosten plus schil	€ 1.536.106,04	€ 375.974,00
Onvoorzien 5%	€ 76.805,30	€ 18.798,70
BTW	€ 338.711,38	€ 82.902,27
Totaal	€ 2.976.622,73	€ 477.674,97

Tabel: overzicht investeringen

The renovation will be put out to tender in one go. The planning is that the Drienerburght will be ready in January 2020. Until then, UCT will continue to function at the current locations.

4. (Intended) decision Executive Board:

The Executive Board (intends to)decide:

- After the CvB has reconsidered this, to consider the Drienerburght as the most suitable location for the accommodation of UCT and to proceed with the execution of the project. This is also the preference of the managing faculty ITC. In doing so, we have taken into account the fact that valorization is important and that de Langezijds is in the picture for this purpose.
- The conclusion of a purchase agreement with TTOG for the economic transfer of the plinth (ground floor) of the Drienerburght for an amount of M€ 1.025.
- Release of the budget of M€ 2.98 from the LTSH for the purchase of the economic ownership and renovation of the ground floor of the Drienerburght and adjustment of the facade. The ground floor will be added to the primary real estate of the UT.
- The operation of the 59 furnished non-autonomous units by TTOG on the 3 floors, whereby TTOG takes care of the renovation costs of the rooms and the management such as customer contact and key management is not outsourced to a third party.
- Exploring whether De Veste can do management activities for TTOG.
- This is subject to approval by the tax authorities, and KPMG's assessment is positive.

Secretary University Council: (to be filled out by Registry UC)

Discussed before with the UC?

- No
- Yes,

Conclusion then:

Additional explanation:

(in case the Presidium/Registry is of the opinion that one of the above mentioned items needs additional explanation)

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