

THE INSTITUTE FOR ADVANCED STUDY

Minutes

Meeting of the Special Committee on Land Development

March 18, 1980  
New York, New York

Present: Messrs. Dilworth (Chairman), Hansmann, Straus, Taplin, Woolf. Also, Messrs. Hunt (Secretary), Donald Elliott, Allen I. Rowe and Richard Weinstein.

Present (representing the Faculty Liaison Committee): Messrs. Armand Borel and Albert O. Hirschman.

Absent: Mr. Petersen.

Presiding officer: Mr. Dilworth opened the meeting at 9:00 a.m. and welcomed the representatives of the Faculty Liaison Committee. He then asked Mr. Weinstein for his consultant's report.

Mr. Weinstein reviewed the background of the land development project and pointed out that the arrangement with the developer, Arthur Collins, had been constructed so as to minimize the Institute's risk and to maximize its financial return and control. He stated that the present Institute plan called for the construction of 1000 units over a period of 8-10 years, from which an addition to endowment somewhere in the range of \$10-18 million would be realized, depending on final

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March 18, 1980

determination of land values. Additional features of the agreement are that the Institute would have the right of first refusal on any unit; that it could purchase a block of units if it wished; and that it would be represented on the management entity of the condominium associates.

Mr. Elliott then reviewed the financial aspects of the joint arrangement and pointed out that final land values would be determined once the site plan and the zoning had been defined.

Mr. Hansmann noted that the complicated financial formula described by Mr. Elliott resulted from an effort to protect the Institute in an inflationary market during the period of construction and sales.

Professor Hirschman then asked for a clarification of the financial advantage of a first refusal clause.

Mr. Elliott stated that a clause of this type would represent a modest additional right and that it was not part of the economics of the project. In response to a question about the timing of the appraisal, Mr. Elliott said that this would take place after all community designations and approvals had been secured.

After a discussion of the financial details of the project, there was general agreement that there would be no disclosure of financial information to the Faculty at large or to anyone else. Messrs. Borel and Hirschman stated that on behalf of the Faculty they sought reassurance in two broad areas: first, that the development would be of good quality and under adequate Institute control; and, second, that the eventual lowering of the quality of life resulting from changes in the Institute's surroundings would be compensated by the projected addition to the Institute's endowment.

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In the course of a general discussion with regard to the need for the Institute to be protected from intrusion on the part of those who could be living in the development, Mr. Dilworth stated that the fundamental assumption of the Committee is that the woods as they are now will remain undisturbed. Among the possible steps cited which could be taken to assure the continuation of the basic character of the woods, Mr. Weinstein mentioned the possibility of designating a buffer strip in the woods which might then be removed from Green Acres status.

Professor Borel then asked that consideration be given to including Section D (as indicated on the attached interim plan) in the buffer zone.

Mr. Weinstein replied that plans for a possible landscape study are now being reviewed and that once such a study is carried out, a detailed proposal for protecting the privacy of the Institute will be presented.

Professor Hirschman asked if a policy had been formulated concerning the possible right of Faculty and others at the Institute to purchase property in the development at favorable prices.

Dr. Woolf suggested that this point would best be discussed at a forthcoming meeting of the Faculty.

Professor Borel then asked if the present architectural plan was definitive from the point of view of design.

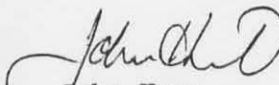
Mr. Weinstein, after describing Mr. Venturi's experience and achievements, said that something related to the present design would occur although the final design had not yet been determined.

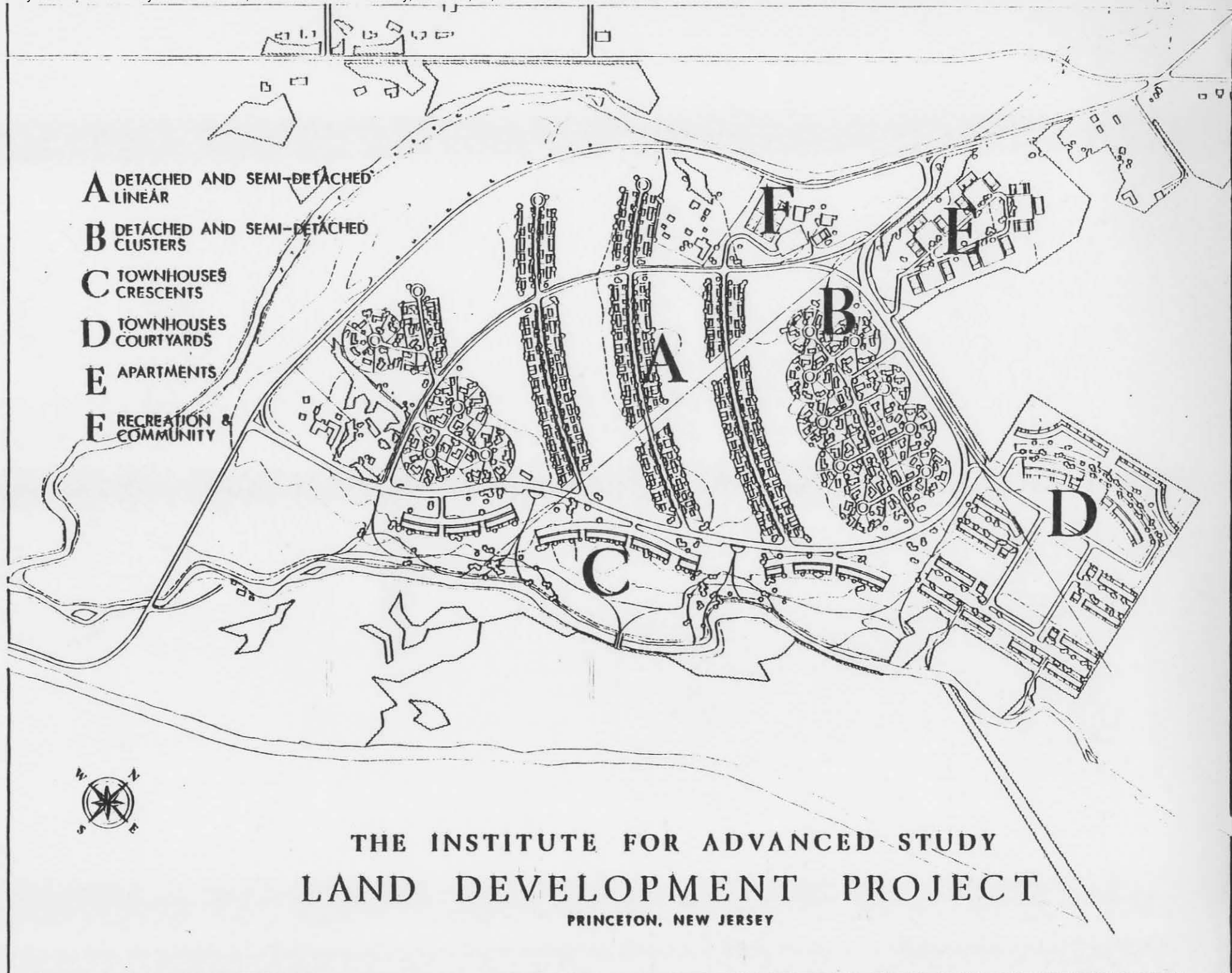
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Meeting of the Special Committee on Land Development  
March 18, 1980

There being no further business, the meeting was  
adjourned at 10:30 a.m.

  
John Hunt  
Secretary



# THE INSTITUTE FOR ADVANCED STUDY

5 March 1980

## Memorandum

To: Jim Bess  
From: Judith Grisham  
Subject: Two requests for transportation on Tuesday, 18 March

1. Will a driver please meet Professor Borel and Professor Hirschman at their respective homes at 7:00 on Tuesday morning, 18 March, and drive them to New York City for a meeting which begins at 9:00. They will be meeting in the

Room 5600 Board Room  
30 Rockefeller Plaza

Would the driver please wait for them there and when the meeting is over (around 10:30 a.m., we expect) bring them back to Princeton.

2. Will another driver pick up Mr Hunt and then Dr Woolf at their homes at 7:00 on Tuesday morning, 18 March, and drive them to the Princeton Junction train station.  
7 They'll be taking the 7:25 into New York.

Their return plans are indefinite; I'll advise when I know more.

Thanks, Jim.

*Judith*

THE INSTITUTE FOR ADVANCED STUDY

Princeton, New Jersey 08540

4 March 1980

Professor Armand Borel  
School of Mathematics  
Institute for Advanced Study

Dear Professor Borel:

An Institute driver will meet you at your home at 7:00 a.m. on Tuesday, 18 March, and take you and Professor Hirschman to New York for the meeting with the Trustees' Land Development Committee.

It is expected that the meeting will be over by 10:30. At its conclusion the driver will bring you and Professor Hirschman back to Princeton.

Let me know, please, if I can help in any other way with your 18 March trip to New York.

*Judith Grisham*



THE INSTITUTE FOR ADVANCED STUDY  
Princeton, New Jersey 08540

4 March 1980

Professor Albert O. Hirschman  
School of Social Science  
Institute for Advanced Study

Dear Professor Hirschman:

An Institute driver will meet you at your home at 7:00 a.m. on Tuesday, 18 March, and take you and Professor Borel to New York for the meeting with the Trustees' Land Development Committee.

It is expected that the meeting will be over by 10:30. At its conclusion the driver will bring you and Professor Borel back to Princeton.

Let me know, please, if I can help in any other way with your 18 March trip to New York.

*Judith Grisham*



# THE INSTITUTE FOR ADVANCED STUDY

March 3, 1980

Memorandum

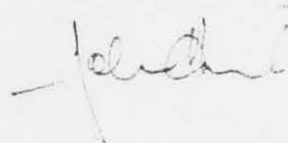
To: Members of the Faculty Liaison Committee

From: John Hunt, Secretary of the Corporation

Enclosed you will find a copy of the agenda for the forthcoming meeting of the Trustees' Special Committee on Land Development with two representatives of the Faculty Liaison Committee. The purpose of the meeting is to provide an opportunity for Messrs. Borel and Hirschman of the Liaison Committee to meet with the Trustee Committee and its consultants, Donald Elliott and Richard Weinstein, so that the Faculty may be informed more fully about the financial implications for the Institute and the Faculty of the land development project.

copies to

Professors Marshall Clagett, Armand Borel,  
Stephen L. Adler, Albert O. Hirschman



# THE INSTITUTE FOR ADVANCED STUDY

March 3, 1980

Memorandum


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copies to

Professors Marshall Clagett, Armand Borel,  
Stephen L. Adler, Albert O. Hirschman



# THE INSTITUTE FOR ADVANCED STUDY

JOHN HUNT  
Associate Director  
and Secretary of the Corporation

March 3, 1980

Memorandum

To: Donald Elliott  
Richard Weinstein

From: John Hunt

I enclose copies of a memorandum to the Trustees' Special Committee on Land Development and of the agenda for our March 18 meeting which, as you will note, is now scheduled for 9:00 a.m. in the Room 5600 Board Room at 30 Rockefeller Plaza. I look forward to seeing you at that time.



## THE INSTITUTE FOR ADVANCED STUDY

March 3, 1980

Mr J. Richardson Dilworth  
Room 5600  
30 Rockefeller Plaza  
New York, New York 10020

Dear Dick:

You will find enclosed several memoranda with accompanying documents in relation to the March 18 meetings of the Special Committee on Land Development, the joint Budget and Finance Committees, and the Executive Committee.

The meeting of the Land Development Committee with two representatives of the Faculty Liaison Committee results from the recent letter to you from Armand Borel. In accordance with his suggestion, we organized on February 21 a meeting of the full Faculty with the developer, the architect, and Richard Weinstein and Donald Elliott. The presentation was essentially that which was made earlier to the Board, excluding financial detail. The purpose of the March 18 meeting of the Land Development Committee with representatives of the Faculty Liaison Committee will be to inform the Faculty representatives--Messrs. Borel and Hirschman--about the project's financial aspects, in accordance with the attached agenda. Don and Richard will both be present to help out as needed. All members of the Committee are presently scheduled to attend, with the exception of Howard, who is not available on the 18th.

I have suggested to Frank that he chair the joint meeting of the Budget and Finance Committees since he is chairman of the Budget Committee and the principal item of business is the proposed new budget format. I have also suggested that Ralph might report to the meeting on the changes in management of the Institute's portfolio.

Mr J. Richardson Dilworth  
March 3, 1980

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Since Howard will not be present, I am assuming that you will chair the meeting of the Executive Committee. We will wish to review the status of the bond issue, to approve (or modify) the plan for going forward, and to pass the resolution calling for the amendment of the Institute's Certificate of Incorporation in ways that are described in the attached documents. Don Elliott, who is acting as our counsel on the bond issue, will be present to help out as needed.

I enclose a list of those members who are now scheduled to attend the meetings of their respective Committees. Absent along with Howard Petersen will be Marty Segal and Jim Wolfensohn.

Please let me know if there is further information which you require. I look forward to seeing you on March 18.

With best regards, I am

Sincerely,



John Hunt  
Secretary of the Corporation

## THE INSTITUTE FOR ADVANCED STUDY

Scheduled to be present at the March 18, 1980, Trustee Committee Meetings:

### Land Development Committee

#### with representatives of the Faculty Liaison Committee

J. Richardson Dilworth	not attending:	Howard Petersen
Ralph Hansmann		
Frank Taplin	others present:	Donald Elliott
Harry Woolf		Richard Weinstein
Armand Borel		John Hunt
Albert O. Hirschman		Allen Rowe

### Joint Budget and Finance Committees

Gladys K. Delmas	not attending:	Howard Petersen
J. Richardson Dilworth		Martin Segal
Ralph Hansmann		
James Houghton	others present:	John Hunt
Howard Kauffmann		Allen Rowe
Frank Taplin		
Harry Woolf		

### Executive Committee

J. Richardson Dilworth	not attending:	Howard Petersen
Donald Straus		Martin Segal
Elizabeth Whitehead		James Wolfensohn
Harry Woolf		
	others present:	Donald Elliott
		John Hunt
		Allen Rowe

## THE INSTITUTE FOR ADVANCED STUDY

March 3, 1980

Mr Howard C. Petersen  
Room 742  
Fidelity Bank Building  
135 South Broad Street  
Philadelphia, Pennsylvania 19109

Dear Howard:

Enclosed you will find several memoranda with accompanying documents in relation to the March 18 meetings of the Land Development, Budget and Finance, and Executive Committees. I regret that you will not be able to be with us that day and am writing to keep you informed about the nature of these meetings.

The meeting of the Special Committee on Land Development with two representatives--Armand Borel and Albert O. Hirschman--of the Faculty Liaison Committee follows a meeting which was organized here on February 21 of the full Faculty with the developer, the architect, and Richard Weinstein and Donald Elliott. The February 21 presentation was essentially that which was made earlier to the Board, excluding financial detail. The purpose of the current meeting will be to inform the Faculty representatives about the project's financial aspects, in accordance with the attached agenda.

The principal purpose of the joint meeting of the Budget and Finance Committees will be to review the proposed new budget format. Ralph will also report on the changes in management of the Institute's portfolio.

The work of the Executive Committee will consist of a review of the status of the bond issue, the approval (or modification) of the plan for going forward, and the approval of a proposal to amend the Institute's Certificate of Incorporation in ways that are described in the attached documents.



Mr Howard C. Petersen  
March 3, 1980

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Please let me know if there is any further information you require. I look forward to seeing you at the April meeting of the Board.

With best regards, I am

Sincerely,



John Hunt  
Secretary of the Corporation

# THE INSTITUTE FOR ADVANCED STUDY

March 3, 1980

## Memorandum

To: Members of the Special Committee on Land Development  
From: John Hunt, Secretary of the Corporation

This memorandum will serve to confirm my earlier notice concerning the forthcoming meeting of the Special Committee on Land Development on March 18, 1980. An agenda for the meeting is enclosed.

The principal purpose of the meeting is to permit two representatives of the Faculty Liaison Committee--Messrs. Armand Borel and Albert O. Hirschman--to meet with the Trustee Committee and its consultants--Donald Elliott and Richard Weinstein--so that the Faculty may be informed more fully about the financial implications for the Institute and the Faculty of the land development project. An earlier meeting was held at the Institute on February 21, 1980, in the course of which a full presentation of all other aspects of the land development project was made to the Faculty by the Institute's Director, the consultants named above, the developers and the architects.

copies to

J. Richardson Dilworth  
Ralph E. Hansmann  
Howard C. Petersen  
Frank E. Taplin  
Harry Woolf



# THE INSTITUTE FOR ADVANCED STUDY

March 3, 1980

## Memorandum

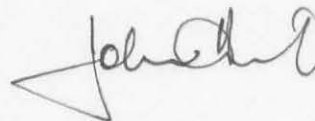
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copies to

J. Richardson Dilworth  
Ralph E. Hansmann  
Howard C. Petersen  
Frank E. Taplin  
Harry Woolf



# THE INSTITUTE FOR ADVANCED STUDY

## Land Development Project

Meeting of the Special Committee on Land Development  
with Representatives of the Faculty Liaison Committee

Tuesday, March 18, 1980

9:00 a.m. - 10:30 a.m.

Room 5600 Board Room  
30 Rockefeller Plaza  
New York City

## Agenda

### 1. Financial considerations

- A. Specific ways in which the Institute will benefit financially from the development of the land, including estimated return;
- B. Specific ways in which the Institute can control the character of the development, including possible veto rights on alterations or additions to houses already purchased;
- C. Will there be repurchase rights and/or resale benefits in the arrangement with the developer?
- D. Once a final agreement has been entered into and the project is under way, will the Institute retain legal powers to stop the project if there is a breach of contract or if further development no longer seems in the best interest of the Institute?

Meeting of the Special Committee on Land Development  
with Representatives of the Faculty Liaison Committee

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Agenda of March 18, 1980, meeting

2. Institute purchase rights

- A. Will the Institute have purchase rights  
to a designated number of housing units  
at favorable prices?
- B. Can the Faculty and senior staff take advantage  
of such favorable arrangements to purchase units  
for investment and/or retirement?

3. Other business

copies to

J. Richardson Dilworth  
Ralph E. Hansmann  
Howard C. Petersen  
Frank E. Taplin  
Harry Woolf  
  
Armand Borel  
Albert O. Hirschman