

CSU Remains Evasive Regarding Acknowledging Existence of Conflict of Interests

PART 1 – RECENT FACEBOOK EXCHANGE

Truth Santos Facebook Page Inquiry (May 23, 2015 by RS)

I have a question for Drew, and I wish you would reply in complete candor and without beating around the bush--this matter is too important for half-truths or evasions after all.

Drew, is your Conservation Development department going to research the concerns regarding mega development as Michael Fisher and others have posted? Will you offer CSU's objective study of the documented tolerance for this greater Todos Santos eco-system to absorb the impacts of 4,472 new homes, plus hotels, and related businesses?

And, regardless of your reply to the above, I want to know also that should the results of any such research, conclusions and report by CSU professors be contrary to the development scale of Tres Santos, is CSU under any restriction about releasing such findings?

CSU's Immediate and Only Reply, referencing its nonresponsive posting from May 12th

Colorado State University Todos Santos Center In the spirit of community collaboration, CSU is listening to the Todos Santos community. We've prepared some answers to the questions being asked on our blog: <http://webcms.colostate.edu/todossantos/?p=254>. Citizens may also email me directly at Drew.wilson@colostate.edu to express further concerns.

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PART 2 – THE CORRECT AND TRUTHFUL ANSWER TO THE LAST QUESTION

The Question:

“... should the results of any such research, conclusions and report by CSU professors be contrary to the development scale of Tres Santos, is CSU under any restriction about releasing such findings?”

The Honest Answer:

Yes, CSU is under restrictions.

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PART 3 – WHY THIS IS THE TRUTH

Because there never was a gift from Tres Santos to CSU; rather it boils down to a business arrangement. The land is owned by a trust created in Monterrey, Mexico and the sole assets of that Trust are the CSU land and buildings. CSU has an ownership interest of less than 100% in the Trust with Tres Santos owning the remainder percentages. (The amounts were blacked out, along with any claim of transparency!)

There is a clause in the Trust that spells out Events of Breach providing that if CSU does not cure certain defined events within 30 days, then all of the so-called “gift of land and buildings” reverts to Tres Santos and CSU is removed from the MIRA property. A particular Event of Breach is: “any... [CSU] action that materially prejudices the brand or reputation of Tres Santos.”

Thus, CSU is at risk and would have to seriously consider the consequences of taking the described hypothetical action allowing its professors to publish findings that are contrary to the development scale of Tres Santos. This puts a black cloud over CSU and questions the integrity of professors, researchers, students and the entire CSU System -- which is clearly an affront to Academic Freedom (teachers are entitled to full freedom in research and in the publication of the results). Even if CSU allowed the report to be issued, the inherent Conflict of Interest taints the work product. CSU’s Ethics website states: “A conflict of interest (COI) occurs when an individual or organization is involved in multiple interests, one of which could possibly corrupt the motivation for an act in the other.” In addition to risking the loss of the land and buildings being provided by Tres Santos, CSU also risks losing over \$1,000,000 (to date) of its Colorado taxpayers' monies put into the startup, costs of an administration building and other assessed costs for the CSU Tres Santos Campus.

As for the fanfare of publicity about the magnanimous gift by Black Creek to CSU valued at \$4.3 million, it just isn’t so. A gift is the voluntary transfer of property or funds to another without receiving anything of value in return and without conditions attached. Besides not being able to protect and exercise its Academic Freedom, other conditions imposed by Tres Santos include CSU being required to allow Tres Santos to use the CSU name and trademarks in its marketing; CSU being required to identify its research papers with the branding determined with Tres Santos; CSU’s Research Farm is to be designed to improve the Tres Santos open-space landscape with that facility to be kept in bloom during peak tourist season; CSU is to conduct business classes targeted to those businesses within the Tres Santos Project; and CSU programming is to be offered at discounted prices to Tres Santos guests and residents.

As a local article said about Tres Santos, “Their entire operation is sort of undercover and deceptive” and that Tres Santos "has had the good sense to pussy foot into Todos Santos in stealth mode."

This sham of a gift -- and the tarnishing of CSU’s reputation as a first class research institution carrying out its ‘land grant mission’ -- causes serious ethical violations through conflicts of interest and impingement of academic freedoms, all to allow a developer to make a buck at the expense of an existing community, its way of life, and its limited supply of water. It is unconscionable.