

STATE BOARD OF REGENTS MEETING  
BOARD OF REGENTS BUILDING, COMMISSIONER'S OFFICE  
CONFERENCE CALL DIAL: 888-337-0215 ACCESS CODE: 2270877  
FRIDAY, DECEMBER 2, 2016, 12:00 – 1:00 PM

Agenda

1. Salt Lake Community College – Jordan Student Center and Property Purchase Non-State Funded Project TAB A

Projected times for the various meetings are estimates only. The Board Chair retains the right to take action at any time. In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify ADA Coordinator, 60 South 400 West, Salt Lake City, UT 84180 (801-321-7124), at least three working days prior to the meeting. TDD # 801-321-7130.

November 29, 2016

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Salt Lake Community College – Jordan Student Center and Property Purchase Non-State Funded Project

Issue

Salt Lake Community College (SLCC) requests authorization and approval to change its non-state funded project request for the Jordan Campus student center from a new construction project to purchasing an existing building and associated property using a \$32,000,000 revenue bond.

Background

In accordance with Regent Policy R710, *Capital Facilities*, the Board of Regents reviews and authorizes institutional requests for non-state funded capital development projects that require legislative approval. In the September meeting the Regents reviewed and approved a request by Salt Lake Community College to design and construct a new student center on the Jordan Campus. Since that time, property adjacent to the Jordan Campus has become available for purchase, which SLCC believes is a better fit for their long term needs. SLCC requests approval from the Board to replace the prior Student Center project with this request to purchase property adjacent to the Jordan Campus and renovate the facility for use as a student center.

The property in question includes just under 60 acres (35 acres of which are undeveloped) adjacent to the Jordan Campus to the east. The property was previously owned by Fairchild Semiconductor and includes a 293,500 square foot building that was used as a semiconductor manufacturing plant and offices. The property passed an initial Phase I Environmental Assessment and additional assessments will be conducted in the subsequent due diligence.

The broker appraised the property at \$22,000,000 and SLCC has negotiated a price of \$18,000,000. The College estimates a construction budget of approximately \$12,000,000 for the renovation of the existing facility into space for a student center. The total project request (including soft costs) for bonding is \$32,000,000, which will be paid from student fees. Additional costs, if any, to complete the renovation will be covered from institutional reserves. Student fees and other institutional funds will pay for operation and maintenance as well as future capital improvements. No state appropriated funds will be used in the design, construction, or operation of this project.

Additional information about this request may be found in the attached letter from the College with an accompanying map and exhibits as well as a tentative construction budget estimate. Representatives from SLCC will be available on the conference call to provide additional information and respond to questions from the Board.

Commissioner's Recommendation

The Commissioner recommends that the Regents review this project carefully and approve the project.

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David L. Buhler  
Commissioner of Higher Education

DLB/KLH/RPA  
Attachment

28 November 2016

Board of Regents  
c/o Commissioner David L. Buhler  
Board of Regents Building, Two Gateway  
60 South 400 West  
Salt Lake City, UT 84101-1284

RE: Acquisition of the Fairchild Semiconductor Property located at 3333 West 9000 South, West Jordan, UT

Commissioner:

In September of 2016 SLCC's Non-State funded request was presented to the Board of Regents as a new building for the Student Center on the Jordan Campus and was approved by the committee as a whole. Since that time, the opportunity to purchase the Fairchild Semiconductor property has become available again. After preliminary investigations, the College has determined that the purchase of the property and renovation of the building will better suit the financial and logistical needs of the students and the College. In accordance with the R710 4.5.4.1.2, Capital Facilities Policy; SLCC requests the following item to be considered for approval by the Board of Regents.

Action Item - The property acquisition of the Fairchild Semiconductor Property located at 3333 West 9000 South, West Jordan Utah and is:

- (1) Contiguous to SLCC's current Jordan Campus owned property – Exhibit 'A'
- (2) The property valued for \$22,000,000 based on brokers appraisal
- (3) Accepted offer \$18,000,000 as per Purchase & Sales Agreement dated November 2016
- (4) Bond derived from Student Fees and Existing Reserves will be utilized for the purchase of the property

The concept of a Student Center on the Jordan Campus is in alignment with the Campus Master Plan. The building has a footprint of 240,000 SF with a total size of 293,500 SF and is placed on 59.84 acres with 34.84 undeveloped. The negotiated price is \$18,000,000 and we estimate an additional \$12,000,000 for renovations.

The property has been reviewed by architects, engineers and employees from DFCM, whom have given their review regarding the general condition of the building, means of

egress, code analysis, building systems, electrical service, parking lot and driveways, mechanical and roofing. The Phase I Environmental Assessment has been reviewed both internally by the College as well as by DFCM with no initial indications for concern.

In accordance with the Regent Guidelines for property acquisition (R710 4.5.4.1.2) – upon closing, the property will have Proof of Clear Title. A previously performed Phase I Environmental Assessment has been reviewed and SLCC will acquire the Phase II Assessment during the Due Diligence timeframe. Code Reviews have been completed by DFCM, WHW and Spectrum Engineers. During the Due Diligence timeframe contact will be made with the local municipalities regarding zoning and the Alta Survey is part of the Purchase & Sales Agreement.

The acquisition of the property is adjacent to the Jordan Campus and would realign the layout of the campus and allow for additional points of ingress/egress.

Thank you for your continued attention to the College's mission of providing great accommodations for our student body. Let me know if there is anything else you need regarding this proposal.

Respectfully submitted,

Malin B. Francis  
Director, Planning & Design

**Attachments:**

- Aerial property photo – Exhibit 'A'
- Building Entrance photo
- Preliminary CBE
- 5-Year Plan

Exhibit 'A'



SLCO Parcels



## Preliminary CBE

<b>Project Name:</b>	Jordan Campus Student Center		
<b>Agency/Institution:</b>	Salt Lake Community College		
<b>Project Manager:</b>	TBD		
		<b>Cost</b>	
<b>Cost Summary</b>	<b>\$ Amount</b>	<b>Per SF</b>	<b>Notes</b>
Facility Cost	\$ 5,635,945	\$70.45	
Utility Fee Cost	\$ -	\$0.00	
Additional Construction Cost	\$ 5,419,178	\$67.74	
Site Cost	\$ 693,655	\$8.67	
High Performance Building	\$ -	\$0.00	
<b>Total Construction Cost</b>	<b>\$ 11,748,778</b>	<b>\$146.86</b>	
<b>Soft Costs:</b>			
Hazardous Materials	\$ -		
Pre-Design/Planning	\$ 124,865		
Design	\$ 920,693		
Property Acquisition	\$ 18,000,000		
Furnishings & Equipment	\$ 634,434		
Information Technology:	\$ 1,160,000		
Utah Art (1% of Construction Budget)	\$ -		
Testing & Inspection	\$ 117,488		
Contingency	\$ 620,388		
Moving/Occupancy	\$ -		
Builder's Risk Insurance (0.15% of Construction Budget)	\$ 17,623		
Legal Services (0.05% of Construction Budget)	\$ 5,874		
DFCM Management	\$ 223,232		
User Fees	\$ -		
Commissioning	\$ 111,613		
Other Costs	\$ 17,623		
<b>Total Soft Costs</b>	<b>\$ 21,953,833</b>	<b>\$274.42</b>	
<b>TOTAL PROJECT COST</b>	<b>\$ 33,702,611</b>	<b>\$421.28</b>	
<b>Previous Funding</b>	<b>\$ -</b>		
<b>Other Funding Sources (Identify in note)</b>	<b>\$ -</b>		
<b>Agency funded</b>	<b>\$ 33,702,611</b>		
<b>Project Information</b>			
Gross Square Feet	80,000	Base Cost Date	11-Aug-16
Net Square Feet	63,200	Estimated Bid Date	15-Apr-18
Net/Gross Ratio	79%	Est. Completion Date	14-Apr-20
		Last Modified Date	16-Aug-16
		Print Date	11/28/2016



# 5-Year Plan

*Please list below the anticipated State Funded Capital Development projects planned for your agency/institution over the next five years. Include a short one paragraph description/justification of each project and the approximate cost of the project.*

Project #1 – The Herriman Campus General Education Classroom Building  
80,000 square feet - \$47,203,039

Project #2 – Taylorsville/Redwood Campus Applied Technology Center Building  
Use to be discussed

Project #3 – Taylorsville/Redwood Campus Business Building Classroom & Study Space  
Expansion with Renovation of existing space  
120,000 square feet - \$36,000,000

Project #4 – Taylorsville/Redwood Campus Remodel and Modernize the Technology Building  
Infrastructure (no new added space)  
- \$20,000,000

Project #5 – Taylorsville Redwood Campus Science & Industry Building Classroom Addition  
90,000 square feet - \$27,000,000

## **Non-State Funded Capital Project Requests**

Project #1 – Jordan Campus Student Center  
100,000 square feet      \$32,000,000

Project #2 – Taylorsville Redwood Campus Community Center / Alumni House  
10,000 square feet      \$15,000,000