

September 6, 2017

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: USHE – Institutional Non-State Funded Projects for 2018-19

Issue

Regent Policy R710, *Capital Facilities* requires the Board of Regents to review and authorize institutional requests for state funded land bank projects and non-state funded capital development projects that require legislative approval.

Background

The following four non-state funded projects are being submitted for Regent consideration. The first three projects shown below require legislative authorization for bonding but do not require state appropriations for design, construction, or operation and maintenance (O&M):

- University of Utah – South Campus Student Housing and Dining
- Utah State University – Phase II Space Dynamics Lab Building
- Salt Lake Community College – Jordan Campus Student Center

The fourth non-state funded project requires legislative approval for state appropriations to fund operation and maintenance budgets for the new building.

- Weber State University – Davis Campus Computer and Automotive Engineering Building

There are no land banking requests for state appropriations being submitted for consideration by the Regents for the 2018-19 funding cycle. Further information about the non-state funded projects may be found in the following attachment.

Commissioner's Recommendation

The Commissioner recommends that the Board carefully review, approve, and advance these projects for legislative action in the 2018 General Legislative Session.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/RPA
Attachment

UNIVERSITY OF UTAH – SOUTH CAMPUS STUDENT HOUSING AND DINING

Revenue Bond	Donations/ Other	Total Cost Estimate	Gross Sq. Feet	State Funded O&M	Sources of Funds and Bond Repayment
\$116,000,000*	\$27,500,000	\$116,000,000	412,700	\$0	Lease Payments, Donations, Dining Vendor Contributions

The University proposes a 1,336-bed housing and dining facility in order to accommodate the increasing demand for first-year housing. The U currently has 1,935 beds for first year students with an occupancy rate around 94 percent. The current demand for first year housing exceeds capacity by almost 400 beds after the University added a third bed to two-person rooms. Student demand for first-year housing is expected to grow each year as enrollments increase. The University has found that students living on-campus during their first year have higher graduation rates and grades than their counterparts.

The new facility will include single and double occupancy rooms clustered around a shared living room and communal study space. Flexible use space in the facility will include student lounges, study space, kitchens, and group event space. Amenities in the facility will include onsite laundry facilities, trash and recycling chutes, and bike storage space. Academic space will connect living experiences with academic learning in proposed variable sized classrooms, student individual and group study spaces, and faculty office spaces. The project will also include a 33,750 square foot dining facility with multiple food stations and the flexibility to accommodate changing dietary needs and approximately 650 seats. Vendors will contribute \$12,500,000 towards the dining program space and donations of an additional \$15,000,000 are expected; however, due to the timing of cash flows, the University requests authorization to bond for the full amount of \$116,000,000.

UTAH STATE UNIVERSITY – PHASE II SPACE DYNAMICS LAB BUILDING

Revenue Bond	Donations/ Other	Total Cost Estimate	Gross Sq. Feet	State Funded O&M	Source of Bond Repayment
\$31,309,900	\$0	\$31,309,900	75,700	\$0	Research Program Reimbursed Overhead

The Space Dynamics Laboratory is one of fourteen nation-wide university affiliated research centers tasked with developing scientific research solutions for military and space applications. The Laboratory develops intelligence, surveillance and reconnaissance technologies including technologies used for tactical sensors, data compression, flight testing, and cyber security. These technologies are in heavy demand by industry, the scientific community, and the military.

Phase II of the Space Dynamics Laboratory will create an additional building on the University's Innovation Campus. The first phase of the two building Space Dynamics Laboratory project was funded in two parts with bond issuances of \$18 million in September 2015 and \$12 million in July 2016. Construction of Phase I is currently underway with anticipated completion in the fall of 2017. Phase II will be built to the south of Phase I and will connect the facilities through a pedestrian bridge. The requested project will provide additional space for the growing research program as well as capacity to consolidate USU Research Foundation programs that are currently scattered across eleven leased buildings on the Innovation Campus. The project will provide offices, laboratories, and conference rooms needed to meet program needs and eliminate the need for building modifications in leased space. Utility and site work were included in the Phase I project.

WEBER STATE UNIVERSITY – DAVIS CAMPUS COMPUTER AND AUTOMOTIVE ENGINEERING BUILDING

Revenue Bond	Donations/ Other	Total Cost Estimate	Gross Sq. Feet	State Funded O&M	Source of Funds
\$0	\$17,604,662	\$17,604,662	45,000	\$397,810	Donations and Institutional Funds

The University requests construction of a classroom facility on the Davis Campus for the College of Engineering, Applied Science, and Technology. The College is one of the largest at the University and has experienced substantial student growth over the last decade. The new facility will alleviate student and faculty crowding and will further the University's regional role of a Master's degree granting institution as well as a community college. The new facility will house programs including computer science, software engineering, and automotive technology. The project will help the University better meet market demand for computer and software engineers and automotive technicians. Space in the new facility will include classrooms, computer and engineering laboratories, faculty offices, an automotive laboratory, and student gathering space.

The facility is proposed to be built adjacent to the existing classroom buildings on the Davis Campus and will take advantage of existing utility infrastructure. Domestic water, sewer, storm sewer, natural gas and power are available onsite and the central cooling plant has capacity to add chilled water and evaporative cooled condenser water for the new facility's HVAC system. Sufficient parking for the new facility also currently exists on the Davis campus and little to no additional parking will need to be added. Solar energy produced in an adjacent solar field currently provides power for the Davis Campus and will help offset the additional power consumption of this new facility. The University requests an ongoing state-funded appropriation of \$397,810 for operations and maintenance (O&M) to support the new academic space.

SALT LAKE COMMUNITY COLLEGE – JORDAN CAMPUS STUDENT CENTER

Revenue Bond	Student Fees	Total Cost Estimate	Gross Sq. Feet	State Funded O&M	Source of Bond Repayment
\$16,000,000	\$9,684,589	\$25,684,589	45,000	\$0	Student Fees

The Campus in West Jordan has experienced substantial growth in recent years as student enrollments in the health sciences and nursing programs offered at the campus have increased. Student space on the campus is limited and has been accommodated in other primarily academic facilities. The addition of a multi-use student center on the campus will provide space for food services, dining, student government, advising services, and financial aid among other student services. The new facility will include space for student life and leadership and will provide meeting space for student organizations and study groups as well as access to a recreational fitness center. A new facility will also allow space currently used for student services in other Jordan Campus facilities to be reclaimed for academic uses. With a focus on student services and support, this new facility will increase student retention and completion rates at the Jordan Campus.

Debt service payments on the revenue bond issued for this facility will be paid primarily through student fees. SLCC recently paid off their only outstanding bonds (the 2010 Auxiliary System and Student Fee Revenue Refunding Bonds) in June 2016, which frees up bonding capacity and student fee revenue in the amount of \$9,684,589 that will be contributed towards this project. Operation and maintenance for the new facility will also be funded from student fees.