



TOPIC: FY 2015 System Funded Construction Program Request

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: June 19, 2014

SUMMARY: This is a request for approval of the FY 2015 System Funded Construction Program in the amount of \$125,527,000 that is the first year of the proposed FY 2015-2019 System Funded Construction Program of \$489,477,000, as indicated in the attachment. The USM Auxiliary Bond portion of the total is \$85,685,000 for FY 2015 and a five year total of \$418,970,000. Given the state of the economy and the difficulty in securing developer interest, there are no requests recommended for private financing this cycle, though that decision will be revisited if circumstances change.

The request includes projects proposed for planning, construction and/or equipment funding in FY 2015. As noted above, most are recommended for funding through external borrowing in whole or in part. Approval is being requested concurrently and/or at a later date for borrowing authority for those specific projects. There may be changes at that time as a result of timing, cost, fee change implications, or other considerations. Each project is a part of an institutional program that will produce the revenue required for repaying the debt.

Some recommendations in the SFCP may be conditional upon satisfactory completion of other projects or activities. These are noted in the attachment or will be part of concurrent discussion with the Board.

ALTERNATIVE(S): Each project can be reviewed separately and accepted, modified, or rejected. The institutional requirement and financial viability for each project were evaluated separately.

FISCAL IMPACT: The impact of the program focuses on the effect of each project on the institution's operating budget and varies with the plan for setting the charges required to repay the debt.

CHANCELLOR'S RECOMMENDATION: That the Committee on Finance recommend that the Board of Regents approve the FY 2015 System Funded Construction Program request with the conditions listed herein (and within the attached materials) and authorize the Chancellor to make appropriate changes consistent with existing Board policies and guidelines. Any such changes will be reported to the Committee on Finance.

COMMITTEE RECOMMENDATION: RECOMMEND APPROVAL

DATE: 6/19/14

BOARD ACTION:

DATE:

SUBMITTED BY: Joseph F. Vivona (301) 445-1923

POST-WORKSHOP DRAFT SFCP

FY2015-2019 SYSTEM FUNDED CONSTRUCTION PROGRAM (SFCP) -- \$'000'S

Revised 5/30/14

Highlighted lines are new this year

Red indicates substantive changes to 5/15/14 draft following feedback from Board members

INST'N	PROJECTS	Prior	FUNDING CALENDAR				
			FY2015	FY2016	FY2017	FY2018	FY2019
USM Auxiliary Bonds							
UMCP	High Rise Residence Hall A/C: Phased (<i>out year phase deferred 1 year</i>)	57,995 PCE	10,185 CE	22,305 CE			11,610 CE
UMCP	South Campus Dining Hall Renovation (<i>funds expanded to 3 years, request was 2 yrs</i>)			10,000 PC	22,600 PC	28,300 CE	
UMCP	High Rise Residence Hall SCUB: Phased (<i>Deferred 1 year</i>)	16,900 PCE				530 P	10,080 CE
TU	Residence Tower Renovation (<i>funding stream expanded by 1 year</i>)			2,960 P	19,600 C	10,000 CE	
TU	Recreation Bldg. Burdick Exp Ph 2 (<i>funding stream expanded by 1 year</i>)	3,620 P	20,000 CE	16,900 CE			
TU	Union Addition/Renovation (<i>Deferred one year</i>)				8,400 P	35,000 C	55,500 CE
TU	West Village Housing, Phase 3 & 4 (700 beds)	39,150 PC	42,000 C	4,000 E			
UMES	Nuttle Hall Residence Renovation (<i>Funded as per Board SFCP last year</i>)			800 P	9,200 C	800 E	
UMBC	Event Center and Arena (<i>also see cash, below; sched expanded to match FY14 SFCP</i>)		200 P	24,700 PC	25,100 CE	11,000 CE	
UMBC	Residence Hall Renovations/Additions (<i>also see cash, below</i>)	36,000 PC	13,300 C	3,900 C			
Subtotal: USM Bonds/Direct Debt RECOMMENDED			85,685	85,565	84,900	85,630	77,190
<i>(BOLD LINES Note modifications to funding stream to accommodate limited annual debt targets; some may be accommodated by adjusting construction cash flow)</i>							
FIVE YEAR SUBTOTAL BONDS (USM DEBT)							418,970
Cash or Institutional Funding							
UMB	HSFIII Generator (<i>prior commitment tied to HSF III</i>)	3,000	4,000 PCE				
UMCP	Tawes Theatre Conversion	11,600 PC	3,020 PC				
TU	Newell Dining Renovation	1,042	3,958 CE				
SU	1108 Camden Avenue		252 A				
SU	Stadium Project	2,000	16,000 C	1,000 E			
SU	Tennis Courts Relocation (<i>funding required to complete approved project</i>)	4,300	1,800				
UMBC	Event Center and Arena (<i>also see bonds, above</i>)		7,000 P	6,500 PC	10,500 CE		
UMBC	Fine Arts Building Renovation (<i>FR contribution 1352 each yr. FY15, 16, 17 additional</i>)	1,692	2,212 C	2,120 C	2,120 C		
UMBC	Residence Halls Renovations/Additions (<i>also see bonds, above</i>)	6,200	1,600 PC	2,000 PCE			
Subtotal: USM Cash/Institutional Funds RECOMMENDED			39,842	11,620	12,620	0	0
<i>(Ongoing projects only; others are deferred; see * page 2, below)</i>							
FIVE YEAR SUBTOTAL CASH							64,082
Bond Requests Suggested for Use of Cash or Institutional Funding							
UMCP	Residence Hall Renovation Ph XI, Cecil Hall						6,425 PCE
Subtotal: Bond Requests suggested for Cash/Institutional Funding			0	0	0	0	6,425
FIVE YEAR SUBTOTAL			0	0	0	0	6,425
TOTAL SFCP PROGRAM (BONDS, CASH)			125,527	97,185	97,520	85,630	83,615
FIVE YEAR TOTAL BONDS, CASH							489,477

Deauthorization of Previously Approved Bond Funds

[LIST]

TBD

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END OF REQUESTS RECOMMENDED FOR APPROVAL

Red indicates substantive changes to 5/15/14 draft following feedback from Board members

FUNDING CALENDAR

INST'N	PROJECTS	Prior	FY2015	FY2016	FY2017	FY2018	FY2019
Highlighted lines are new this year							
REQUESTS STILL UNDER REVIEW (REQUIRING FURTHER CONSIDERATION)							
Housing Requests Still Under Review							
BSU	New Residence Hall #1 (450 beds)	Bonds		2,500 P	31,500 C	1,000 E	
BSU	New Residence Hall #2 (450 beds)	Bonds					2,500 PC
UMES	New Residence Hall, Ph 2 (400 beds)	Bonds	3,000 P	22,000 C	1,000 E		
UMES	New Residence Hall, Ph 3 (400 beds)	Bonds					3,000 P
FSU	New Residence Hall (437 beds; total includes \$4M inst'n cash)	Bonds		13,058 C	12,793 CE		
[FSU project will be considered for funding TBD within the five year plan, pending resolution of issues related to market/demand, contracts with existing public/private housing, and System financial constraints.]							
CSU	New Residence Hall (400-500 beds)	Bonds			15,000 PC	24,525 CE	
UMBC	New Residence Hall (200 beds)	Cash & Bonds			1,500 P	250 P	
					2,100 P		34,100 C
Subtotal: Requests for Housing Projects (still under review)			3,000	37,558	63,893	25,775	39,600
Bond Requests Still Under Review							
UMB	Carter Lot (also see cash, below)	Bonds	4,000 PCE				
UMCP	South Campus Recreation Center	Bonds			3,000 P		32,100 C
UMCP	Replacement Residence Hall: Worcester Hall	Bonds			40,613 PCE		
UMCP	Residence Hall Renovation Phase X: Dorchester Hall	Bonds	10,000 PCE				
TU	Prettyman & Scarborough Halls Renovation	Bonds			2,140 P	21,400 CE	
TU	Glen Towers Renovation	Bonds		4,200 P	10,900 CE	8,500 CE	12,600 CE
CSU	New Student Center	Bonds					7,224 P
CSU	Walbrook Lumber	Bonds			6,000 PCE		
SU	Renovate Guerrieri University Center	Bonds	2,200 P	26,500 C	3,500 E		
SU	Construct Fieldhouse/Recreation Center	Bonds			3,500 P	6,500 P	32,000 C
SU	Renovate Chesapeake Hall	Bonds				1,250 P	5,000 CE
SU	Renovate Severn Hall	Bonds				1,250 P	5,000 CE
UB	Recreation Center (@ 60 W. Oliver St.)	Bonds		1,610 P	9,328 C	13,613 CE	
Subtotal: Bond Requests Still Under Review			16,200	32,310	78,981	52,513	93,924
Cash Requests Still Under Review							
Note: Cash requests for construction less than \$5M will be managed under Board Policy VIII-10.20							
UMCP	* Central MD Rsch & Educ Ctr. Office Bldg.			1,890 P	20,300 C	2,000 E	
UMCP	* Campus Farm Upgrades (formerly Animal Sciences Pavilion)		3,130 PC	1,650 PC	7,250 PC		
TU	* Glen Dining Hall Renovation			800 P	8,000 CE		
TU	* Berkshire Renovation					6,000 E	
SU	* Athletic Complex Renovations	2,000		2,500 C	3,000 C	3,000 C	
UMB	Carter Lot (also see bonds, above)		3,000 PCE				
UMCP	McKeldin Mall Upgrades (design funding approved Dec. 2013)	3,000		10,000 PC	20,000 PC		
UMCP	School of Public Health Building - Convert locker rooms into STEM facilities		6,000 PCE				
UMCP	H.J. Patterson Hall - Convert Wing 2 Second Floor into STEM facilities			7,000 PCE			
UMCP	Severn Bldg. - Phase II Renovation for Facilities Management Shops			11,300 PCE			
UMBC	Erickson Hall Renovation		7,500 PC	1,600 E			
UMBC	Harbor Hall Renovation				500 P	7,000 PC	1,600 E
Subtotal: Cash Requests Still Under Review (*denotes those included in last year's five year SFCP plan that are deferred temporarily under moratorium on cash funding to revisited after assessment of System financials)			19,630	36,740	59,050	18,000	1,600
END OF LIST: PROJECTS UNDER REVIEW							

KEY: A = Acquisition; P = Planning; C = Construction; CS = Construction Supplemental; E = Equipment