



TOPIC: University of Maryland, College Park: Renovation, Conversion, and Expansion of the Cole Student Activities Building

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: November 20, 2014

SUMMARY: The University of Maryland, College Park (UMCP) requests Board of Regents approval to convert and expand the Cole Student Activities Building (Cole) for the purpose of creating a new academic, research and athletic facility. The project will be implemented in two phases and will house a campus-wide innovation and entrepreneurship program, an indoor football practice facility, a football training complex, and a Center for Sports Medicine, Health and Human Performance.

UMCP will partner with the University of Maryland, Baltimore (UMB) and the University of Maryland Medical System (UMMS) to create the Center. Its purpose is to increase access to world-class sports medicine services and advance the discovery of innovative solutions to improve human performance.

The proposed Center will support the goals of the USM Strategic Plan and the MPower partnership between UMCP and UMB. The indoor football practice facility and football training complex are critically needed to recruit and support the student-athletes, and to be competitive in the Big Ten Conference. Locating the proposed Center together with the prominent Intercollegiate Athletics program will enhance the ability of the Center to recruit and retain top faculty and students. It will also enhance the ability of UMCP to recruit and retain top student-athletes and coaches. The new academic program will be a robust combination of an expansion of entrepreneurial activities, real-world experiences and internships, and a new degree program in sports management.

During Phase I, a number of current occupants will be relocated. The turf floor and the surrounding seats and support spaces (i.e., the former basketball field house) in Cole will be converted into a 100-yard indoor football practice facility of approximately 87,000 GSF. Cole will be expanded to the north and the existing concrete seating bowl will be excavated to the current sub-basement level in order to provide the volume required for this facility. Phase II will involve relocating additional current occupants, renovating and expanding the building to the north, south and west to create the football training complex and the Center for Sports Medicine, Health and Human Performance (approx. 191,000 GSF in total). In addition, two outdoor natural grass football practice fields of approximately 169,000 SF will be constructed to the west of the facility.

Pending Board of Regents approval, the University plans to begin design in May 2015, begin construction in December 2015, complete construction of Phase I in April 2017, and complete construction of Phase II in June 2018.

The total cost of this project is estimated to be \$155M including project design, modification and expansion, site work and utilities and the relocation of existing occupants. The project will be funded from \$25M of state funds; \$25M of institutional cash (to be repaid with Big Ten revenues); and \$105M from a combination of private gifts, institutional funds and clinical revenues from the facility.

ALTERNATIVE(S): The University explored constructing a new multi-phased Human Performance and Academic Research Facility on existing football practice fields and Shipley Field (the existing baseball stadium). The estimated cost for all phases was \$187M, which included \$15M to relocate Shipley Field elsewhere on campus. Converting and expanding the Cole Student Activities Building does not require the relocation of Shipley Field and is a more cost effective approach to provide the proposed facilities.

Without this proposed project, the football program will remain at a competitive disadvantage within the Big Ten Conference. It would also undermine an opportunity to support the goals of the USM Strategic Plan and the MPower partnership between UMCP and UMB through the proposed Center for Sports Medicine, Health and Human Performance.

FISCAL IMPACT: The estimated cost for this project is \$155 million. The project will require the use of institutional reserves and/or debt to bridge timing gaps between the project expenses, to be incurred over a 4-year period (FY 2015 thru FY 2018), and funding sources that will be received over a longer period. The most likely peak borrowing amount is estimated to be in the neighborhood of \$78M – \$83M in FY 2018. The University anticipates repaying \$40M of this borrowing in the three-year period following project completion. The remainder will be repaid over a longer period. The University anticipates funding \$10M with a 20-year loan supported by the rental income stream associated with the project’s clinical medical space component and \$5M by reprioritizing operating funds during the construction period.

There will be no impact to student fees.

CHANCELLOR’S RECOMMENDATION: That the Finance Committee recommend that the Board of Regents approve this request for the University of Maryland, College Park to design and construct a new academic, research and athletic facility, as described above. As part of this recommendation, UMCP will develop a detailed financial plan for the project that specifies UMCP's external and internal funding sources and that demonstrates UMCP’s commitment to its fund balance obligations.

Further, the University will work with the Office of the Chief Operating Officer/Vice Chancellor for Administration and Finance (COO/VCAF) to develop the appropriate financial pro forma detailing project costs, revenue sources, and draw/repayment schedules.

Finally, the University will provide USM and the Finance Committee with regular updates on the status of the fund raising efforts from all sources, including donors, the State and UMCP.

THE FINANCE COMMITTEE ALSO RECOMMENDS THAT WITH REGARD TO THE STUDENT GROUPS AND ACTIVITIES THAT WILL BE DISPLACED AS A RESULT OF THE CONVERSION OF THE COLE STUDENT ACTIVITIES BUILDING, UMCP SHALL WORK WITH THE STUDENT LEADERSHIP AND MAKE A GOOD FAITH EFFORT TO ENSURE THAT THE RESULTANT SPACE NEEDS ARE MET IN A TIMELY AND COST EFFECTIVE MANNER.

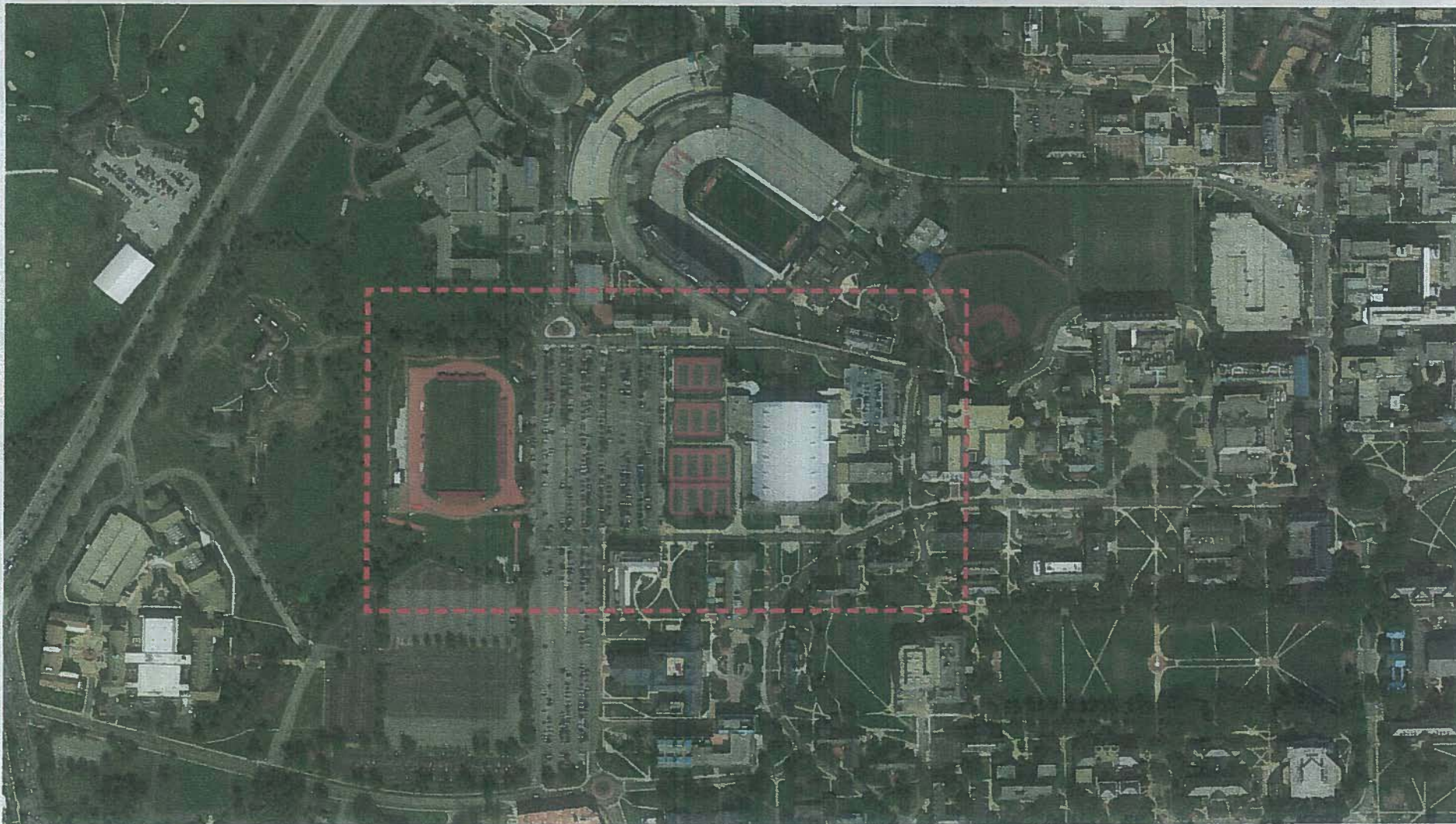
COMMITTEE RECOMMENDATION: RECOMMEND APPROVAL WITH ADDITIONAL LANGUAGE AS NOTED IN THE LAST PARAGRAPH ABOVE.

DATE: 11/20/14

BOARD ACTION:

DATE:

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



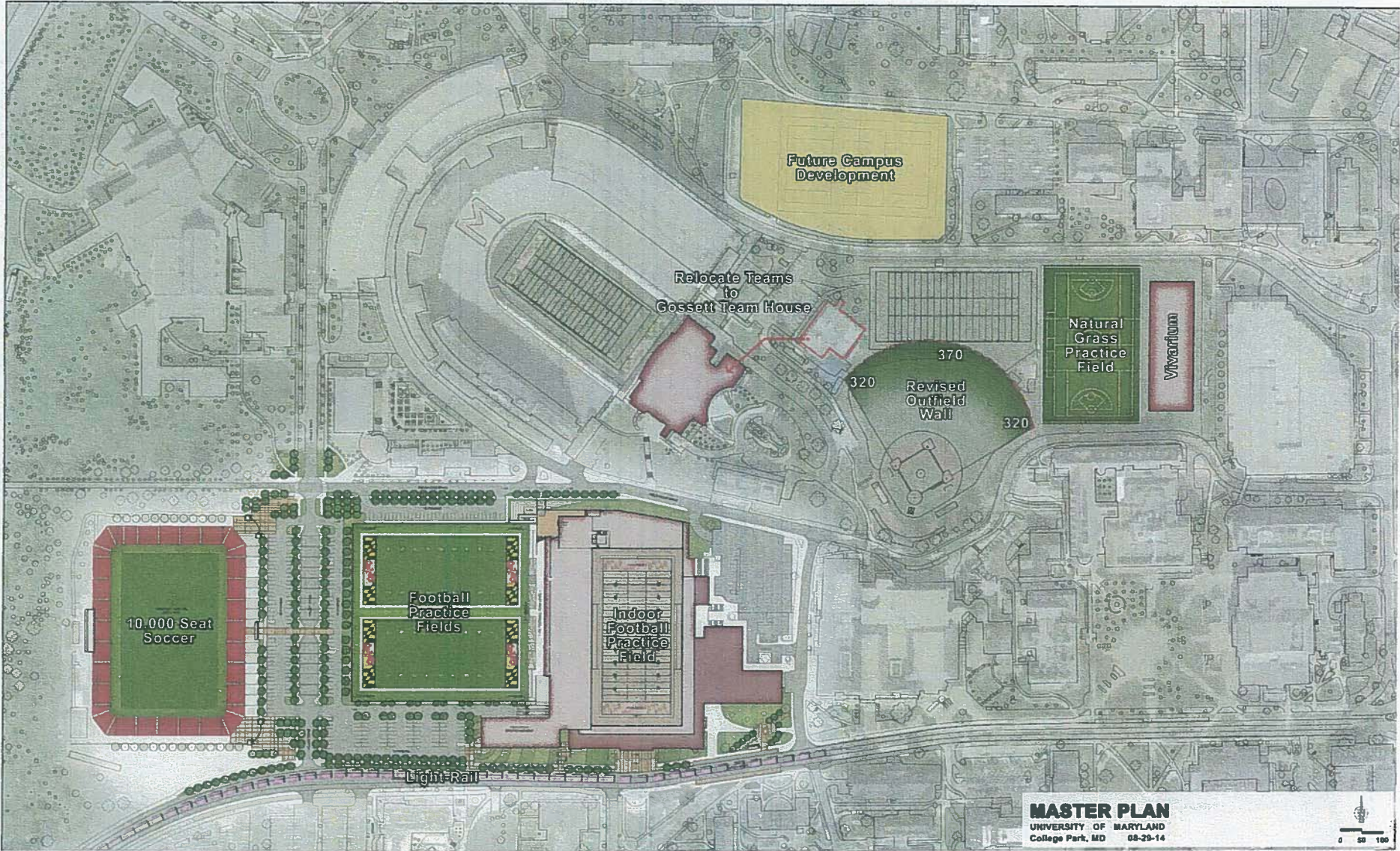
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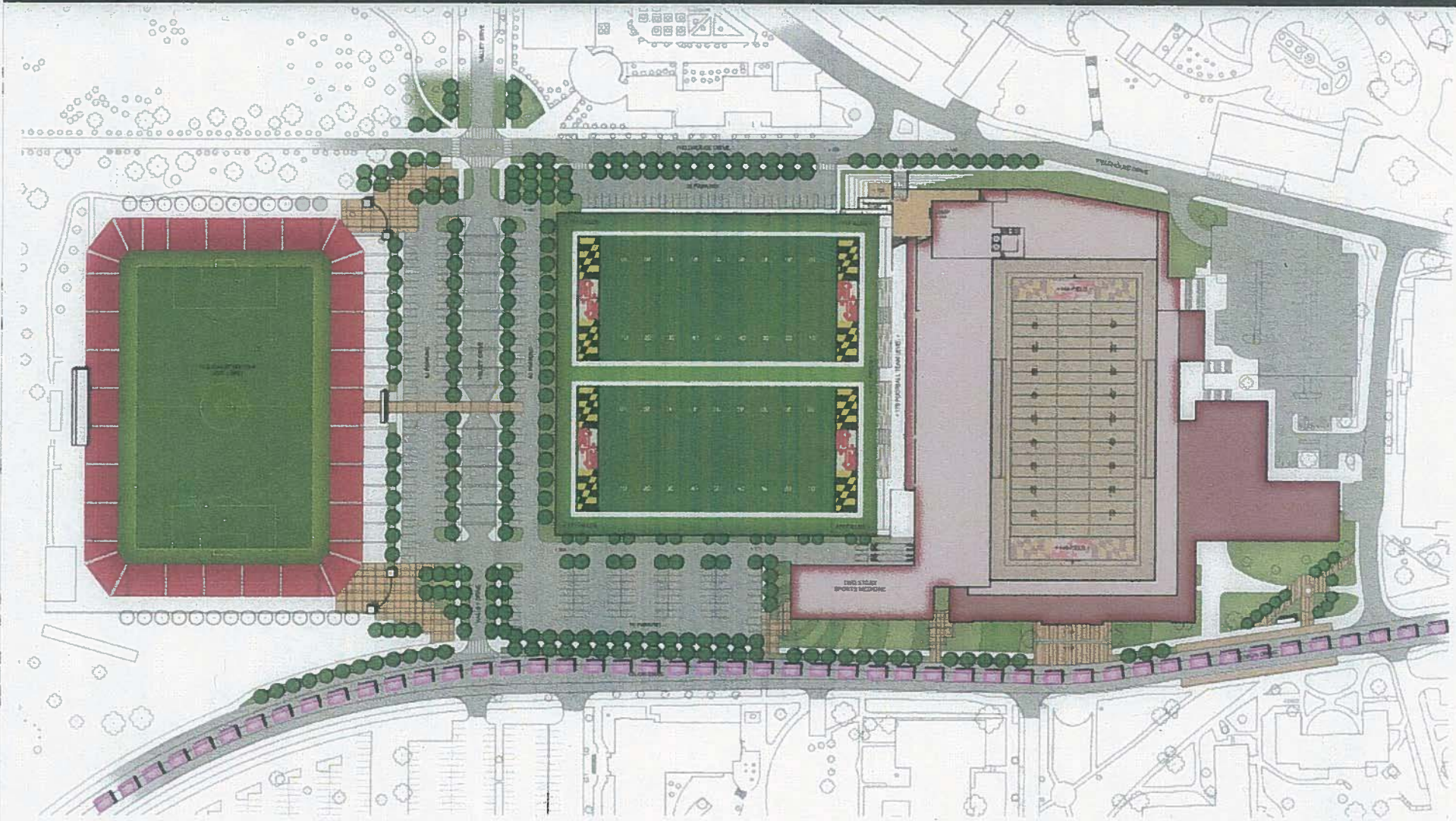


 THE NEW PROTOTYPE FOR TRAINING

POPULOUS

08/25/2014





SITE PLAN
1" = 64'-0"



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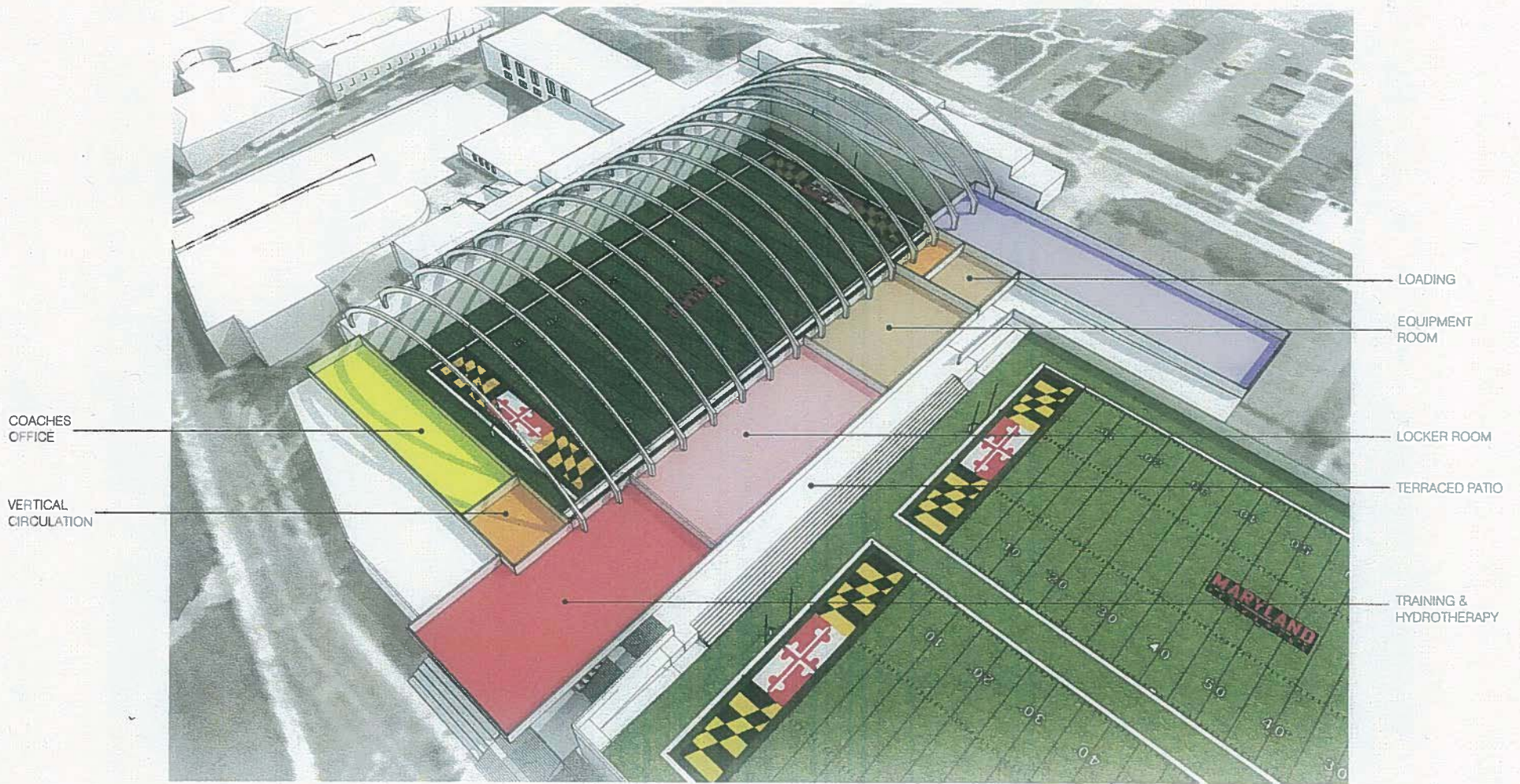
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FOOTBALL TEAM LEVEL +179



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