



TOPIC: FY 2017 System Funded Construction Program Request

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: June 9, 2016

SUMMARY: This is a request for approval of the FY 2017 System Funded Construction Program in the amount of \$76,670,000 that is the first year of the proposed FY 2017-2021 System Funded Construction Program of \$455,116,000, as indicated in the attachment. The USM Auxiliary Bond portion of the total is \$70,170,000 for FY 2017 and a five-year total of \$432,686,000. 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 2017. 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 2017 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:

DATE:

BOARD ACTION:

DATE:

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

POST-WORKSHOP SFCP FOR BOARD CONSIDERATION AND APPROVAL:

BOARD OF REGENTS FY2017-2021 SYSTEM FUNDED CONSTRUCTION PROGRAM (SFCP) -- \$'000'S

Purple Highlighted Rows are New in FY2017

Revised 5/16/16 -- NO CHANGES SINCE WORKSHOP
FUNDING CALENDAR

| INST'N | PROJECTS (Carried Over From FY2016 SFCP 5-Yr. Plan) | Prior | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 |
|--|--|------------|---------------|---------------|---------------|---------------|----------------|
| USM Auxiliary Bonds | | | | | | | |
| UMCP | High Rise Residence Hall A/C and Partial Renovation: Phased | 68,180 PCE | | 6,160 P | 8,280 PC | 34,920 C | 39,110 PCE |
| UMCP | High Rise Residence Hall SCUB: Phased | 16,900 PCE | | 550 PCE | 10,380 CE | | |
| TU | Union Addition/Renovation | | 8,670 P | 39,200 C | 55,900 CE | | |
| TU | Residence Tower Renovation | | 19,600 C | 10,000 CE | | | |
| UMES | Nuttle Hall Residence Renovation | 800 P | | | | 9,200 C | 800 E |
| FSU | New Residence Hall (425 beds) - SEE CASH BELOW | | | 12,776 C | 14,974 C | | |
| FSU | Five Dorm Renovation - SEE CASH BELOW | | | 4,400 C | | 7,700 C | |
| UMCP | Dorchester Residence Hall Renovation | | 10,300 PCE | | | | |
| UMCP | South Campus Recreation Center | | | | 3,000 P | 32,100 C | 500 E |
| TU | Glen Towers Addition and Renovation | | | | | 4,536 P | 22,030 CE |
| SU | Renovate Guerrieri University Center | | | | | 7,500 P | 27,500 CE |
| UMBC | Event Center and Arena (also see cash, below) | 18,400 PC | 31,600 PC | 11,000 CE | | | |
| Subtotal: USM Bonds/Direct Debt RECOMMENDED | | | 70,170 | 84,086 | 92,534 | 95,956 | 89,940 |
| FIVE YEAR SUBTOTAL BONDS (USM DEBT) | | | | | | | 432,686 |
| Cash or Institutional Funding (Project Carried Over from FY2016 SFCP 5 Yr. Plan) | | | | | | | |
| UMB | Construct Interprofessional Education Ctr. | 2,000 A | 1,000 P | 5,300 C | 1,000 E | | |
| TU | Prettyman and Scarborough Halls Air Conditioning | | | 500 P | 4,500 CE | | |
| FSU | New Residence Hall (425 beds) - SEE BONDS ABOVE | | 1,500 P | 2,198 C | 1,132 E | | |
| FSU | Five Dorm Renovation - SEE BONDS ABOVE | | | 1,300 C | | | |
| UMBC | Event Center & Arena (+ 10 M additional USM Cash Contribution P/C, FY2016) | 10,000 PC | 4,000 CE | | | | |
| Subtotal: USM Cash/Institutional Funds RECOMMENDED <i>(Ongoing projects only; others are deferred; see * page 2, below)</i> | | | 6,500 | 9,298 | 6,632 | 0 | 0 |
| FIVE YEAR SUBTOTAL CASH | | | | | | | 22,430 |
| TOTAL SFCP PROGRAM (BONDS, CASH) | | | 76,670 | 93,384 | 99,166 | 95,956 | 89,940 |
| FIVE YEAR TOTAL BONDS, CASH | | | | | | | 455,116 |

END OF SFCP FOR BOARD CONSIDERATION AND APPROVAL

FUNDING CALENDAR

| INST'N | PROJECTS (Carried Over From FY2016 SFCP 5-Yr. Plan) | Prior | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 |
|---|---|-------|--------|--------|--------|--------|--------|
| HOUSING REQUESTS STILL UNDER REVIEW (REQUIRING FURTHER CONSIDERATION): | | | | | | | |

Yellow highlights are PPP requests

Purple Highlighted Rows are New in FY2017

Housing Requests

| | | | | | | | |
|---|---|--------------|---------|--------|---------|--------|--------------|
| UMCP | New Residence Hall (1,500 beds) | PPP | 169,800 | PCE | | | |
| UMCP | New Residence Hall (850 beds) | Bonds | | 13,000 | P | 74,000 | CE |
| UMCP | New Residence Hall (350 beds) | Bonds | | | | | 7,140 P |
| BSU | New Residence Hall #1 (450 beds) | Bonds | | 3,000 | P | 33,000 | C 1,000 E |
| BSU | New Residence Hall #2 (450 beds) | Bonds | | | | | 3,000 PC |
| TU | Phase V Housing (700 Beds) | Bonds | | | | | 7,000 P |
| 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 24,000 CE |
| CSU | New Living and Learning Facility (400-500 Beds) | Bonds | | 15,000 | PC | 24,525 | CE |
| SU | New Residence Hall | PPP | | 5,000 | P | 32,500 | PC 25,000 CE |
| UMBC | New Residence Hall (200 beds) | Cash & Bonds | | | | | 1,500 P |
| Subtotal: Requests for Housing Projects (still under review) excluding PPP | | | 3,000 | 53,000 | 135,525 | 27,100 | 18,640 |

END OF HOUSING REQUESTS STILL UNDER REVIEW (REQUIRING FURTHER CONSIDERATION)

BOND REQUESTS STILL UNDER REVIEW (REQUIRING FURTHER CONSIDERATION):

| | | | | | | | |
|---|---|-------|-------|--------|--------|--------|-------------------|
| Bond Requests | | | | | | | |
| UMCP | New Dining Hall (in support of 1,500 bed/PPP dorm) | Bonds | 9,700 | PC | 17,800 | CE | |
| UMCP | Worcester Residence Hall Replacement (450 beds) | Bonds | | | | 8,950 | P 3,150 C |
| UMCP | Cecil Residence Hall Renovation | Bonds | | | | 540 | P 3,060 CE |
| UMCP | Paint Branch Drive Parking Garage (3,000 spaces) | Bonds | | | | 33,000 | PC |
| UMCP | Golf Course Improvements | Bonds | 3,900 | | | | 2,700 PC |
| UMES | Murphy Hall/Annex Renovation | Bonds | | | | | 500 P |
| UMES | Court Plaza Renovation | Bonds | | | | | 600 P |
| CSU | New Student Center | Bonds | | | | 7,224 | P 70,500 CE |
| SU | Construct Fieldhouse/Recreation Center (see CASH, also) | Bonds | | | 3,500 | P | 7,500 PC 40,000 C |
| SU | New Parking Garage | Bonds | | | | | 2,000 P |
| UB | Recreation Center (@ 60 W. Oliver St.) | Bonds | | | 1,610 | P | 9,328 C 13,613 CE |
| Subtotal: Bond Requests Still Under Review | | | 9,700 | 17,800 | 5,110 | 66,542 | 136,123 |

END OF BOND REQUESTS STILL UNDER REVIEW (REQUIRING FURTHER CONSIDERATION)

FUNDING CALENDAR

| INST'N | PROJECTS (Carried Over From FY2016 SFCP 5-Yr. Plan) | Prior | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 |
|--|---|---------|--------|-----------|------------|----------|----------|
| Purple Highlighted Rows are New in FY2017 | | | | | | | |
| CASH REQUESTS STILL UNDER REVIEW (REQUIRING FURTHER CONSIDERATION): | | | | | | | |
| Inst'n Priority | | | | | | | |
| UMB | New Garage | | | | 30,000 PCE | | |
| UMCP | North Campus Dining Hall Replacement | | | 3,550 P | 33,200 CE | | |
| UMCP | McKeldin Mall Upgrades (design funding approved Dec. 2013) | 3,000 P | | 10,000 PC | 20,000 PC | | |
| UMCP | H.J. Patterson Hall - Convert Wing 2 Second Floor into STEM facilities | | | 7,200 PCE | | | |
| UMCP | * Campus Farm Upgrades (formerly Animal Sciences Pavilion) | | | | | 3,500 PC | 3,400 PC |
| TU | * Glen Dining Hall Renovation | | 800 P | 8,000 CE | | | |
| TU | * Berkshire Renovation | | | | | 7,500 E | |
| SU | Relocate Baseball Stadium (planning funded as part of Athletic Complex Renov) | | P | 1,500 C | 3,500 CE | | |
| SU | Construct Fieldhouse/Recreation Center (see BONDS under review) | | | | | 2,500 PC | 5,000 C |
| Subtotal: Cash Requests Still Under Review (*denotes those included in FY2015 five year SFCP plan that are deferred temporarily under moratorium on cash funding to be revisited after assessment of System financials) | | | 800 | 30,250 | 86,700 | 13,500 | 8,400 |
| END OF CASH REQUESTS STILL UNDER REVIEW (REQUIRING FURTHER CONSIDERATION) | | | | | | | |

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