2009-2011 Capital Construction Budget

Oregon State Board of Higher Education

July 11, 2008
2009-2011 Capital Construction Budget

Scope of Presentation

• Capital Program Objectives
• 2009-2011 Capital Request
• Top Priority Projects
• Summary
Introduction

OUS represents 50% of all *State-owned* facilities:

- 1,180 Buildings
- 22 Million Gross Square Feet
- $3.7 billion in current replacement value
- 100,000 students, faculty, & staff affected each year
Capital Program Objectives

➢ **Reinvestment**
  - Keep existing facilities operational

➢ **Excellence**
  - Modify existing facilities for program needs

➢ **Access**
  - Add new facilities for enrollment growth
2009-2011 Capital Request

- **11 Systemwide Programs**
  - Deferred Maint. & Capital Repair Projects
  - 6 Collaborative Projects
  - 3 Renewable Energy Projects

- **16 Education and General Projects**
  - 9 Renovation/Addition
  - 6 New Buildings
  - 1 Acquisition

- **8 Auxiliary Projects**
  - 6 Renovation/Addition
  - 2 New Buildings

- **5 Student Fee Projects**
  - 6 Renovation/Addition
  - 2 New Buildings
Capital Request

2007-2009 OUS Capital Program Funding Summary
(in millions of dollars)

State Funds 37%
Campus Funds 63%

General Fund 37%
Systemwide 63%
Campus Funds

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>XI-G Bonds</td>
<td>$0</td>
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<tr>
<td>Lottery Bonds</td>
<td>$100</td>
</tr>
<tr>
<td>SELP</td>
<td>$200</td>
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<tr>
<td>Seismic</td>
<td>$300</td>
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<tr>
<td>XI-F Bonds</td>
<td>$400</td>
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<tr>
<td>Gifts &amp; Grants</td>
<td>$500</td>
</tr>
</tbody>
</table>

Oregon University System

2009-2011 OUS Capital Construction Budget July 11, 2008 6
Capital Program Priorities

Ranked by a combination of factors:

- Master Plan
- Board Priorities
- Cost Savings
- Critical Need
- Campus Priority
- Finish What We Started
- Use of Leveraged Dollars
## 2009-11 E&G and Systemwide Priority Summary

### OUS Evaluation Score

<table>
<thead>
<tr>
<th>Campus Priority</th>
<th>Project Name</th>
<th>Other</th>
<th>Project Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>43</td>
<td>SYS Capital Renewal, Code, and Safety (Current needs)</td>
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<tr>
<td>43</td>
<td>SYS Deferred Maintenance Projects (see Table 6)</td>
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<tr>
<td>41</td>
<td>SYS South Waterfront Life Sciences Facility</td>
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<tr>
<td>41</td>
<td>PSU School of Business Administration Building</td>
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<tr>
<td>41</td>
<td>WOU Health/Wellness/Recreation Center/Classroom</td>
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<tr>
<td>41</td>
<td>SOU Theatre Arts Expansion</td>
<td></td>
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<tr>
<td>43</td>
<td>OIT Geothermal - Renewable Energy Demonstration</td>
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<td>Capital Renewal, Code, and Safety (Current needs)</td>
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<td>Deferred Maintenance Projects (see Table 6)</td>
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<td>3</td>
<td>South Waterfront Life Sciences Facility</td>
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<td>4</td>
<td>School of Business Administration Building</td>
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<tr>
<td>5</td>
<td>OIT Geothermal - Renewable Energy Demonstration</td>
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<tr>
<td>6</td>
<td>PSU Bates Hall/Hallie Ford Center</td>
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<td>7</td>
<td>OSU Bates Hall/Hallie Ford Center</td>
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<tr>
<td>8</td>
<td>OIT Geothermal - Renewable Energy Demonstration</td>
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<tr>
<td>9</td>
<td>School of Business Administration Building</td>
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<tr>
<td>10</td>
<td>Health/Wellness/Recreation Center/Classroom</td>
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<td>11</td>
<td>Theatre Arts Expansion and Remodel</td>
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<td>12</td>
<td>Regional Library Services Center</td>
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<tr>
<td>13</td>
<td>ILC and PLC Hall Expansion and Renovations</td>
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<tr>
<td>14</td>
<td>Academic Modernization</td>
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</tbody>
</table>

**Oregon University System**
OUS Priority #1 & #2

Capital Repair & Deferred Maintenance

- Industry Standard range for annual capital renewal funding is between 1.5% and 3% of total replacement value of plant
- Range for OUS is $84 million to $168 million per Biennium
OUS Priority #3: OUS/OHSU Life Sciences Collaborative Building

OUS/ OHSU Life Sciences Collaborative Building
CONCEPT OVERVIEW

Filtering Principles

- Programs that promote inter-institutional interaction, collaboration, and synergistic partnerships

- Programs that stimulate economic development & address work force shortages in the health professions in the Portland metro area and in the state of Oregon

- Programs that bring together the best and the brightest to collaborate on interdisciplinary education and research

- Programs that foster multidisciplinary health professional education and collaborative research in the life sciences--basic and translational.

- Programs that attract and promote partnerships with private bioscience and pharmaceutical companies in the region at all levels of development (incubator, accelerator, and established companies).
OUS Priority #3: OUS/OHSU Life Sciences Collaborative Building

SAMPLE CONTINUUM

Science / Research Community Interaction

1. Education
   - Medical Education Expansion
   - Human Health Applied
   - Biomedical Eng/Clinical Lab Sciences
   - Human Physio/Infant Mental Health
   - College of Pharmacy
   - Interprof Simulation Center
   - OMPH

2. Basic and Translational Research
   - Oregon Translational Research and Drug Discovery Institute (OTRADI)
   - Innovation Inter-institutional Space
   - Imaging Center
   - Good Manufacturing Practice (GMP) Facility
   - Incubator
   - Human investigations/Clinical Trials

3. Private Industry, Other
   - Incubator
   - Accelerator
   - Established Companies
   - Tech Transfer

Social and Support Space / Retail

2009-2011 OUS Capital Construction Budget

July 11, 2008
OUS Priority #3: OUS/OHSU Life Sciences Collaborative Building

PROGRAM / SF SUMMARY

Program/ Square Footage Summary

- Education 99,000 ASF
- Research/Private Industry 93,000 ASF
- Commercial/Retail 8,000 ASF

Project Total ASF 200,000 ASF

Project Total GSF 300,000 GSF
OUS Priority #3: OUS/OHSU Life Sciences Collaborative Building

FUNDING

- $75m G bonds
- $75m Other funds (gifts/grants)
- $50m lottery bonds
- $50m F bonds

Health Science
Biomedical Education
Research
Private Industry
Retail / Services
OUS Priority #3: OUS/OHSU Life Sciences Collaborative Building

### FUNDING

#### Sources of Funds

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Article XI-G Bonds</td>
<td>$75 million</td>
</tr>
<tr>
<td>Other Funds: Donations, grants, etc.*</td>
<td>$75 million</td>
</tr>
<tr>
<td>Article XI-F Bonds</td>
<td>$50 million</td>
</tr>
<tr>
<td>Lottery Bonds</td>
<td>$50 million</td>
</tr>
<tr>
<td><strong>Total Project Funding</strong></td>
<td><strong>$250 million</strong></td>
</tr>
</tbody>
</table>

*Other funds will serve as a match to the XI-G Bonds and will include:

- $40 million OHSU private donation for medical education expansion
- $20 million Tri-Met for light rail station site development
- $5 million Privately funded generic accelerator space
- $10 million Other TBD
OUS Priority #3: OUS/OHSU Life Sciences Collaborative Building

TRANSIT / URBAN CONNECTIONS
OUS Priority #3: OUS/OHSU Life Sciences Collaborative Building
OUS Priority #3: OUS/OHSU Life Sciences Collaborative Building

PRELIMINARY 3D COMPUTER MODELS
Bates Hall/Hallie Ford Center

- Doubles the number of children and families served by OSU Faculty and Staff in the Hallie Ford Center for Healthy Children and Families
- Builds translational research programs and policies
- Meets OSU’s strategic goal for a Center for Healthy Aging and Family Gerontology
- Assist OSU in bridging critical interdisciplinary research
OUS Priority #5: OIT Geothermal Energy Demonstration Project

OIT PROPOSED GEOTHERMAL PROJECTS

Goal: OIT will be 100% Powered by Renewable Energy

High temperature power plant: 1.2 to 3 MW

Low temperature power plant: 280 kW
HIGH TEMPERATURE POWER GENERATION

- Drilling a deep well to 5,000 to 6,000 ft – based on seismic investigation
- Based on geochemistry analysis 300°F should be encountered
- Binary (Organic Rankine Cycle) plant
- Will provide 100% of campus electrical demand
- Saving $500,000 per year
- Reject water used to supply additional heat to campus and to surrounding buildings - $200,000
- Could also run a low-temperature binary plant (bottoming cycle) – potential income by net metering
- Used as a demonstration site and student laboratory
- Aquaculture and Greenhouse incubators
OUS Priority #5: OIT Geothermal Energy Demonstration Project

Deep Well

Fault Zone

Hot Water / Steam

Deep Geothermal Well
OUS Priority #5: OIT Geothermal Energy Demonstration Project

Binary power plant

Turbine
Generator
Condenser
Cooling Tower
Heat Exchanger
Cooled Water
Pump
Production Well
Geothermal Reservoir
Injection Well
Direct Heat Users
Air & Water Vapor
Air
Water
Vapor

Oregon University System
OUS Priority #5: OIT Geothermal Energy Demonstration Project

PROJECT COST ESTIMATES
SOURCE OF FUNDS COMPLETION DATES

Low temperature power plant: $800,000
- F-Bonds $200,000 Energy Trust and Renewable Energy Incentives
- January 2009

High temperature power plant: $6,000,000
- Federal Grants, Lottery Funds, F-Bonds
- June 2009
Portland State University

Capital Construction & Deferred Maintenance Request

OUS Priority #6: PSU School of Business Administration Building
OUS Priority #6: PSU School of Business Administration Building
## Proposed Projects for 2009-11

<table>
<thead>
<tr>
<th>Project</th>
<th>State Limitation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>School of Business Administration Building</td>
<td>$90.0M Article XI-G Bonds, Gifts &amp; Matching Federal/Local Funds, Article XI-F(1) Bonds</td>
<td>School of Business, classrooms, offices, commercial and retail space in mixed-use facility. (Possible partnership with the City.)</td>
</tr>
<tr>
<td>OUS Systemwide Project: South Waterfront Life Science Facility</td>
<td>$250.0M Article XI-G Bonds, Article XI-F(1) Bonds, Lottery Funds, &amp; Other Funds</td>
<td>Construction of a new life science facility in the South Waterfront district featuring collaborative programs and research led by OHSU and PSU in partnership with OSU, OIT, UO, and OTRADI.</td>
</tr>
<tr>
<td>Acquisition &amp; Renovation of Classroom Buildings</td>
<td>$1 Pending Placeholder for future authorization; Article XI-F(1) Bonds</td>
<td>Procurement of facilities for classrooms and other academic and administrative functions.</td>
</tr>
<tr>
<td>Campus Loop, Phase 2</td>
<td>$17.5M Deferred Maintenance Project and/or State General Funds &amp; Energy Loans</td>
<td>Expansion of steam and chilled water to campus buildings, increasing system reliability and improves energy efficiency.</td>
</tr>
</tbody>
</table>
School of Business Administration Building

State Limitation: $90.0M

Funding Source: Article XI-G Bonds, Article XI-F(1) Bonds, Gifts & Matching Federal/Local Funds

Project Summary: A new mixed-use facility for the School of Business, academic instruction space and commercial/business partner (potentially the City of Portland). Additional space is necessary to meet current enrollment and continued growth. The new building will include classrooms, specialized collaboration space for students, faculty and business, seminar rooms, auditorium, conferencing space, faculty offices, commercial and retail space, all tailored to the highly interactive and engaged educational environment.
**OUS Collaborative Waterfront Life Sciences Facility**

**State Limitation:** $250M

**Funding Source:** Article XI-G Bonds, Article XI-F(1) Bonds, Lottery Funds, & Other funds

**Project Summary:** Construction of a new life science facility in the South Waterfront district featuring collaborative programs and research led by OHSU and PSU in partnership with OSU, OIT, UO, and the Oregon Translational Research and Drug Discovery Institute (OTRADI). The facility will provide a cooperative space for coordinated instructional programs, research and business assistance opportunities. The facility will provide needed science instruction and research space for PSU.
OUS Priority #6: PSU School of Business Administration Building

2009-2011 Projects

Acquisition & Renovation of Classroom Buildings
for Academic & Seminar Space

State Limitation: $1 Pending Placeholder for Future Authorization(s)
Funding Source: Article XI-F(1) Bonds & Other University Funds

Project Summary: Procurement & renovation of facilities for classrooms and academic functions. PSU is presently exceeding capacity in utilization of its existing classrooms and offices, and is forced to lease space contiguous to the campus to accommodate current unmet space needs.
2009-2011 Projects

Campus Loop, Phase 2

State Limitation: $17.5M

Funding Source: Deferred Maintenance Project and/or State General Funds & Energy Loans

Project Summary: Phase 2 Campus Utility Systems Upgrade will continue to improve current services strained by aging equipment and growth in recent years, and prepare the campus infrastructure for anticipated building additions. The expanded campus loop will result in considerable operational, maintenance and energy savings by consolidating boilers and chillers in central plants, and replacing equipment that is well beyond its useful life.
First priority on the Campus Master Plan
A $30.5 million mixed use facility

Construction of **new Classroom building**
$6M - G Bonds & general funds

Renovation of the
“Old Physical Education Building”
$12.5 M –(includes deferred maintenance, seismic and energy funding)

Construction of new
“Student Health & Wellness Center”
$12M - (includes $10M F Bonds)
Contemporary collegiate wellness centers have emerged over the last decade as important tools in the recruitment and retention of students and faculty.

These facilities provide opportunities for building community among students and between students and faculty, outside the academic classroom.
OUS Priority #7: WOU Health/Wellness/Recreation Center/Classroom Building

Cost Effective Use of Available Funds

Renovation to Current Building
- Built in 1935, pool constructed 1955
- Seismic upgrade to the existing single story, unreinforced masonry facility to ensure occupant safety.
- Lower operating costs with increased energy efficiency
- Solar utilization for heating the water in the pool
- Improved indoor air quality with new HVAC units
- Upgrade of this existing 73 year old, 38,000 square foot facility will reduce campus deferred maintenance and improve this facility’s overall condition

New Building
- Lower operating costs with increased energy efficiency
- Reduce waste
- Conserve energy/water use
- Solar utilization
- Better indoor air quality
- Minimum LEED – Silver Level/Target LEED – Gold Level
OUS Priority #7: WOU Health/Wellness/Recreation Center/Classroom Building

Multiple Use Facility

Supports a wide variety of campus programs
- Academic classrooms
- Faculty/staff offices
- 5,600 square foot multi-purpose room
- Intramurals
- Athletics
- Health and wellness programs
OUS Priority #7: WOU Health/Wellness/Recreation Center/Classroom Building

**Funding**

This is a multi-faceted project, leveraging

- Student Building Fees (XI-F Bonds)
- Seismic Funds
- State Energy Loan Program Funds
- Deferred Maintenance Funds
- General Funds
- XI-G Bonds
OUS Priority #7: WOU Health/Wellness/Recreation Center/Classroom Building

Overwhelming Approval Student Referendum

Passed 72% to 28%

Student /faculty/staff involvement throughout process

Target – Gold LEED (minimum Silver)
Compelling need for new Classroom Building

Record high enrollment at WOU
Continued use of “temporary, portable classroom modules” installed in 1987!
- 240 seats in 6 temporary modules
No new classroom buildings built since 1969
Experience Excellence
Southern Oregon University
Theatre Arts Campaign 2008
Our program

Our program is considered the top undergraduate opportunity in the western United States.

- High quality productions
- Comprehensive curriculum
- Professional faculty

Twelfth Night, 2005
Our program

Students apply their training, working on every aspect of:

- Six productions per year in two theatres
- Nearly 70 individual performances
- Annual attendance by 5,000 theatergoers

*Big Love, 2005*
Our proposal
Theatre Arts building expansion from University Way
Why a building expansion?

Year     | Number of majors per year | Building capacity (60 majors)
---------|---------------------------|-------------------------------
1982     | 50                        |                               
1987     | 75                        |                               
1992     | 100                       |                               
1997     | 125                       |                               
2002     | 150                       |                               
2007     | 225                       |                               

Legend:
- Red: Number of majors per year
- Blue: Building capacity (60 majors)
Why a building expansion?

We need a facility that will house all the activities required to deliver an exceptional program.

- Safer and more efficient scenic and costume shops
- More classrooms
- Much needed rehearsal space
- More faculty offices
Why a building expansion?

Scenic design and drafting classes are held in a large hallway in cramped conditions with no sound protection from the general noise below the mezzanine.
Why a building expansion?

The costume and scene shop are at maximum capacity for the number of enrolled students and the complexity required by the department’s theatre productions.
Why a building expansion?

One of the real benefits of the larger facilities will be that the university will be able to offer something that is really rather rare in the American education scene, which is a degree with an emphasis on musical theater. I think that is really going to enhance the school’s reputation which is already very high.

Many of the students that come out of SOU go directly into masters programs and are very well regarded in those programs. I think for them to also have an emphasis on musical theater will only enhance their ability to get work. That is a very important part of a university education.

PAUL NICHOLSON
EXECUTIVE DIRECTOR, OREGON SHAKESPEARE FESTIVAL
Why a building expansion?

New area = 22,151 s.f.
Remodeled area = 10,488 s.f.

Potential enrollment increase of 150 students

Total estimated cost is $10,797,482
OUS Priority #11: UO ILC and PLC Hall Expansion and Renovations

Capital Construction Budget Request
2009-2015
OUS Priority #11: UO ILC and PLC Hall Expansion and Renovations

Innovative Learning Complex and Prince Lucien Campbell (PLC) Hall Expansion and Alterations, phase 1

Phase 1 - ~100,000 SF of new construction
Funding:

State XI-G Bonds $28,625,000
Other $28,625,000
Total $57,250,000

OUS Priority #11: UO ILC and PLC Hall Expansion and Renovations
OUS Priority #11: UO ILC and PLC Hall Expansion and Renovations

excellence in research

“global university for the 21st century”

“integrative learning”

interdisciplinary teaching and research

student success
OU5 Priority #11: UO ILC and PLC Hall Expansion and Renovations

Long-term financial viability

Globally competitive research

Addresses OUS/Governor’s Strategic Priorities
Academic Modernization

- Renovation of Classroom Space
- Demolition of Dorian Hall
- Student Access to ISB Building
- Pierce Library Improvements:
  - ADA Access
  - Fire Suppression System
  - Planning for Future Expansion
Summary

- Proposed capital budget strikes a balance between Access, Program Improvements, and reinvestments to remain competitive and operational.

- Debt service for state = $31 million per year
  - Leverages almost $400 million in Gift and Grant funding
  - Builds 1,140,000 new square feet, mostly classroom and science buildings
  - Restores 1,130,000 square feet to serve students and research