

Authorization of Non-Appropriated Capital Improvements Projects

The Board of Governors biennially adopts a six-year plan for capital improvements. The General Fund provides for projects directly related to teaching, research, and public service. Residence halls, parking decks, athletic facilities, and student recreation facilities are funded from non-General Fund sources and other receipts. For 2010-11, the following pages contain descriptions as well as the sources of financing.

Recognizing the fiscal uncertainties created by recent worldwide credit and financial markets crises and the decline in state revenues, the University has carefully and strategically balanced the needs of campus growth and the ability to pay for facilities related to that growth. Capital improvements must be considered with the long-term in mind. State facilities, on average, take four years to plan and build. These projects represent the top priorities of each campus's Six-Year Capital Improvements Plan. Campuses first need authority from the Board of Governors, and then the General Assembly, to proceed. Projects in this package reflect each campus's most pressing needs, and authority to commence the state's capital process is requested from the 2010 Session of the legislature.

Each project was reviewed on the basis of its need and its benefit to the University, with a focus on each project's alignment with the findings and recommendations of the UNC Tomorrow Commission. Projects were also evaluated for the impact of the project on the benefits and costs to students as well as the ability of the campus to pay for the project, as requested, without a negative impact on the institution's credit rankings. Criteria used for ability to pay are: (1) Debt Burden Ratio [Percentage], which measures the University's ability to repay annual principal and interest associated with all outstanding debt and its effect on the overall budget; (2) Viability Ratio [times coverage], which measures the availability of liquid and expendable net assets compared to aggregate debt; and, (3) Moody's Investors Service's QRate, a predictive tool

provided by Moody's which relies on five key performance measures and statistics to arrive at an estimated rating before and after the issuance of additional debt. A detailed financial plan will be reviewed for each project in consultation with financial advisors and bond counsel before bonds are issued and construction contracts are awarded. Final approval for the issuance of bonds is the responsibility of the Board of Governors.

It is recommended that the Board approve 21 new or supplemental capital improvements projects at nine institutions totaling \$479,448,900 of which \$458,038,300 is projected to be indebtedness. It is further recommended that the Board approve borrowing to support three capital improvements projects at UNC Hospitals and approve, for advance planning only, three projects at UNCC and one at UNCP. The projects will be forwarded to the General Assembly for authorization during the 2010 Session. It is further recommended that the President of the University, or his designee, be authorized to make refinements to the request in the interest of accuracy and completeness.

# APPENDIX O

Table I  
THE UNIVERSITY OF NORTH CAROLINA  
2010 Non Appropriated Projects Request

Institution	Project Title	Total (\$)	Cash (\$)	Debt (\$)	Source of Funds	New/ Increase Debt Service Fees (\$)*
ASU	Steam and Chilled Water Tunnel serving the Center for Student Leadership and Development Project	2,752,000	2,752,000	-	Utility receipts	-
ASU	Plemmons Student Union Expansion	20,619,000	-	20,619,000	Student debt service fee	100
ASU	Center for Student Leadership and Development Honors Residence Hall	32,887,000	-	32,887,000	Housing receipts	-
ASU	Steam Distribution System Improvements - Phase IV-A	2,492,000	2,492,000	-	Utility receipts	-
ASU	Winkler and Belk Residence Halls Fire Suppression Sprinkler System Installations	1,162,000	1,162,000	-	Housing receipts	-
ECU	Clement and Greene Residence Halls Fire Suppression Sprinkler System Installation	2,910,600	2,910,600	-	Housing receipts	-
NCA&T	Aggie Stadium Press Box Renovation and Expansion	3,200,000	-	3,200,000	Gifts, Seat licenses, Athletic receipts	-
NCSU	Talley Student Center Renovation and Expansion*	120,000,000	-	120,000,000	Student debt service fee	290
NCSU	Greek Village Townhouses	25,000,000	-	25,000,000	Housing receipts	-
UNCA	Governors Village Renovation and Expansion	24,917,000	-	24,917,000	Housing receipts	-
UNC-CH	Carolina North Infrastructure Improvements	5,000,000	5,000,000	-	Facilities and Administrative receipts	-
UNC-CH	Graham Student Union Renovations	7,500,000	-	7,500,000	Dining debt service fee & Student activity debt service Fee (net)	13
UNC-CH	Kenan Stadium Improvements, Phase 2 Carolina Student Athlete Center for Excellence	55,000,000	-	55,000,000	Athletic receipts, Gifts	-
UNC-CH	Lenoir Hall Renovations	5,000,000	-	5,000,000	Dining debt service fee	14
UNC-CH	Woollen Gymnasium Renovations, Phase 2	7,100,000	-	7,100,000	Campus recreation receipts; Athletic receipts	-
UNCC	Football Complex	45,394,000	5,394,000	40,000,000	Gifts, Seat license, Student debt service fee	120
UNCC	Parking Deck I	28,080,000	-	28,080,000	Parking receipts	-
UNCG	Quad Residence Halls Comprehensive Renovation and Expansion	52,500,000	-	52,500,000	Housing receipts	-
UNCG	Dining Hall Comprehensive Renovation	31,500,000	-	31,500,000	Dining receipts	-
UNCG	Ragsdale and Mendenhall Residence Halls Fire Suppression Sprinkler System Installation	1,700,000	1,700,000	-	Housing receipts	-
WCU	Residence Halls Renovation	4,735,300	-	4,735,300	Housing receipts	-
	Totals	479,448,900	21,410,600	458,038,300		537
<b>Affiliated Enterprises</b>						
UNC Hospitals	Ambulatory Care Center (ACC) Operating Room Expansion	26,777,000	-	26,777,000	Hospital receipts from patient care	-
UNC Hospitals	Imaging and Outpatient Clinic Development	21,871,000	-	21,871,000	Hospital receipts from patient care	-
UNC Hospitals	General Internal Hospital Renovations	6,000,000	-	6,000,000	Hospital receipts from patient care	-
	Totals	54,648,000	-	54,648,000		-
<b>Planning</b>						
UNCC	New Residence Hall Phase X	51,565,000	5,156,500	-	Housing receipts	-
UNCC	Residence Dining Hall Renovation/Replacement	20,330,000	2,033,000	-	Dining receipts	-
UNCC	Parking Deck J	27,418,000	2,741,800	-	Parking receipts	-
UNCP	Student Health Services Comprehensive Renovation and Addition	3,900,520	390,052	-	Student health service fee	-
	Totals	103,213,520	10,321,352	-		-

**Appalachian State University****Steam and Chilled Water Tunnel serving the Center for Student Leadership and Development project – \$2,752,000**

This project would install approximately 250 lineal feet of walk-able steam and chilled water tunnel that would provide the necessary infrastructure support for the Center for Student Leadership and Development project. Located on central campus, the CSLD project includes the renovated Cone Residence Hall, an expansion of Plemmons Student Center, and a new residence hall with attached learning center for ASU's honors program. The project would be financed from utility receipts.

**Plemmons Student Union Expansion – \$20,619,000**

This project would expand Plemmons Student Union by building a three-story, 61,000 square-foot addition on the east end of the building. Five existing Academic Affairs and Student Development departments would be co-located in the addition. The project would be financed from indebtedness to be repaid from a new \$100 debt service fee and receipts. The proposed debt service fee was approved by the ASU Board of Trustees with student participation, as required by the Board's tuition and fee policy. The new \$100 debt service fee was approved by the Board of Governors in February 2010.

**Center for Student Leadership and Development Honors Residence Hall - \$32,887,000**

This project, in accordance with the campus master plan, would build a ten-story, 100,000 square-foot residence hall to house approximately 333 residents and a three-story, 20,000 square-foot academic wing that would provide classrooms and faculty offices for ASU's honors program. The combined facilities create a living-learning environment to enhance the student learning experience by co-mingling faculty offices and classrooms within the traditional residence hall setting. This project would be financed from indebtedness to be repaid from housing receipts. The estimated impact on students would be that all housing rents would be increased by an average of 5.59% or \$200 per year for two years to produce additional revenues for the housing system. The debt coverage ratio for ASU's housing system for 2007-08 was 1.77x and 1.69x in 2008-09. With the issuance of this debt, the ratio would remain above 1.20x.

**Steam Distribution System Improvements - Phase IV-A - \$2,492,000**

This project would continue a comprehensive program to repair or replace steam distribution and condensate return lines on campus. Construction would begin spring 2011. ASU runs its steam system as an auxiliary account and has existing debt issued to construct its power plant. The debt coverage ratio was 1.81x in 2006-07, 3.27x in 2007-08, 3.32x in 2008-09 and expected to be 4.08x in 2009-10. This project would be funded from cash reserves set aside for steam line repair and replacement available in the auxiliary account. While there is no direct impact on students from steam rate increases, they could be marginally affected over time by corresponding increases in the cost of housing and dining services.

Winkler and Belk Residence Halls Fire Suppression Sprinkler System Installations – \$1,162,000

This project would install fire suppression sprinkler systems in Winkler Residence Hall (built in 1974 with 66,609 square-feet) and Belk Residence Hall (built in 1980 with 34,000 square-feet). Work would include the related repair or replacement of ceilings, light fixtures and fire alarm components. The project would be financed from housing receipts.

**East Carolina University**

Clement and Greene Residence Halls Fire Suppression Sprinkler System Installation – \$2,910,600

This project would install fire suppression sprinkler systems in Clement Residence Hall (built in 1969 with 86,044 square feet) and Greene Residence Hall (built in 1966 with 82,731 square feet). Work would include the installation of an emergency generator and fire pump, the related relocation of steam and condensation lines, and the related repair or replacement of ceilings, light fixtures and fire alarm components. The project would be financed from housing receipts.

**North Carolina Agricultural & Technical State University**

Aggie Stadium Press Box Renovation and Expansion – \$3,200,000

This project would renovate the existing 950 square-foot press box at Aggie Stadium and add 4,900 square feet to provide approximately 50 seats in six private suites and approximately 70 premium seats. The project would also improve accessibility to the press box, add restrooms and up-grade life-safety, mechanical, electrical, plumbing and telecommunication systems. The project would be financed from indebtedness to be repaid from a combination of gifts, income generated by the additional premium seating, and athletic receipts.

**North Carolina State University**

Talley Student Center Renovation and Expansion – \$120,000,000

This project would renovate 169,000 square feet of the current Talley Student Center, expand the Center with an 81,000 square-foot addition, and build associate parking. The facilities would provide new dining options, increased student meeting space, more recreation and lounge areas, more student organization space, a new bookstore, new retail options, and fully renovated Atrium Food Court, including increasing the serving area to provide better traffic flow. The project would be financed from indebtedness to be repaid from a new \$290 debt service fee. The proposed debt service fee was approved by the NCSU Board of Trustees with student participation, as required by the Board's tuition and fee policy. The new \$290 debt service fee will be phased in over a four-year period as follows: Fall 2010 – increase of \$83; Fall 2011 – increase of \$102; Fall 2012 – increase of \$90; Fall 2013 – increase of \$15. The phased debt service fee was approved for NCSU by the Board of Governors in February 2010.

**Greek Village Townhouses – \$25,000,000**

This project would build two townhouse buildings and one apartment building for lease by Greek organizations and upper-class fraternity and sorority members who want to live close to their chapter house but desire the privacy of apartment living. Each three-story, approximately 26,650 square-foot townhouse building would have 72 beds in eight units. The four-story, approximately 28,700 square-foot apartment building would have 62 beds in 17 apartments. The project would include the construction of related site infrastructure and achieve a minimum of LEED Silver certification. The project would be financed from indebtedness to be repaid from housing receipts. This project would not have an impact on tuition and fees.

**The University of North Carolina at Asheville****Governors Village Renovation and Expansion – \$24,917,000**

This project, furthering one of UNC Asheville's strategic plan goals for more on-campus housing, would build a new 300-bed, approximately 107,000 square-foot residence hall and renovate 33,018 square feet providing 100 beds in the existing five residence halls in Governors Village. The new residence hall would provide community space for use by all residents of Governors Village. The existing residence halls (Ashe, Hoey, Gardner, Moore and Scott) were constructed between 1967 and 1969, and while structurally sound, need upgraded mechanical, plumbing (currently they are the only residence halls that are not sprinklered), and electrical systems; updated interior finishes; improvements to meet current accessibility requirements; and renovation of the building exterior to improve energy efficiency and appearance. The Old Physical Plant building (built in 1963 with 15,989 square feet), which is currently in the middle of the residence hall area on campus, would be demolished to provide part of the required site for the new residence hall. The project would be financed with indebtedness to be repaid from housing receipts and is supported by a detailed market study done in Fall 2009. The estimated impact on students would be minimal. The assumption in the financial proforma is that housing rents would be increased by an average of 3% per year to produce revenues for the housing system and that 3% increase is in line or less than previous years' housing rent increases. The debt coverage ratio for UNCA's housing system for 2007-08 was 1.15x and 1.21x in 2008-09. With the issuance of this debt, the ratio would remain above 1.20x.

**The University of North Carolina at Chapel Hill****Carolina North Infrastructure Improvements – \$5,000,000**

This project would build the initial infrastructure needed to support the first phase of development at Carolina North which includes the Innovation Center. The project would provide roads, utilities, traffic signal improvements, site lighting, and a 214-space parking lot. To make way for the project, two existing buildings constructed and used by the City of Chapel Hill Public Works Department (Public Works #7 -- Salt and Sand Storage built 1978 with 1,730 square feet and Public Works #8 -- Boy Scout Building built 1982 with 1,600 square feet), would be demolished. The project would be financed with Facilities and Administrative receipts. This project would not have an impact on tuition and fees.

Graham Student Union Renovations – \$7,500,000

This project would address building code deficiencies on all three floors of the Frank Porter Graham Student Union (built in 1968 with 152,927 square feet). Work on the first floor would also reprogram 8,000 square feet of space to support the food service and dining activities in the building and include the modernization of all first floor building systems and architectural finishes. The project would be financed from indebtedness to be repaid from a \$16.75 increase in the Student Facilities Debt Service Fee and a portion of the \$18.10 increase in the Student Dining Debt Service Fee. The proposed fee increases were approved by the UNC-CH Board of Trustees with student participation, as required by the Board's tuition and fee policy. The combined fee increase of \$34.85 is reduced by a \$7.50 decrease in the Rams Head Recreation Center fee to net \$27.35. The \$27.35 net increase was approved for UNC-CH by the Board of Governors in February 2010.

Kenan Stadium Improvements, Phase 2 – Carolina Student Athlete Center for Excellence – \$55,000,000

This project would construct the Carolina Student Athlete Center for Excellence. This 214,000 square-foot center would include new and expanded academic support services for all student-athletes, a home for the Carolina Leadership Academy, new and expanded strength and conditioning facilities for all student-athletes, office and operations space for Carolina athletics, and the Blue Zone premium seating areas (approximately 3,270 seats). In addition to the six-story building, site improvements include a new concourse level that connects the north and south sides of the stadium and improves pedestrian circulation around the stadium. As part of the project, demolition of the following facilities is required: the Student Athlete Development Center (1986, 18,883 square feet), Kenan Field House (1928, 33,432 square feet), Kenan Stadium Southeast (1995, 4,000 square feet), and Southwest Toilet Towers (1995, 4,000 square feet).

UNC-CH would accomplish the project by ground leasing 3.4 acres of state-owned land to The Educational Foundation, Inc. (the Foundation) who would construct the improvements. Construction plans for the project would be developed to State and UNC-CH standards and would be reviewed and approved by the Department of Administration. Commencement of construction is dependent on fund raising and premium seat sales and would not begin until final approval of the UNC-CH Board of Trustees and the Board of Directors of the Foundation. At the completion of construction, the ground lease would end. UNC-CH would then issue up to \$55,000,000 in long-term indebtedness to refund the Foundation for the cost of construction and the improvements would revert to UNC-CH.

After the completion of the renovation and improvement and acquisition of the project by the institution, and notwithstanding any provision of the General Statutes governing the negotiation and execution of contracts or leases for the operation and management of a facility, UNC-CH may provide for the operation and management of all or part of the renovated and improved portion of Kenan Stadium by contracting with the Educational Foundation, Inc., or by leasing that portion of Kenan Stadium to the Educational Foundation, Inc., or by contracting with or leasing to any other special purpose entity created for that purpose.

The project would be financed from indebtedness to be repaid from gifts and athletic receipts. This project would not have an impact on tuition and fees. For fiscal year ending June 30,

2009, UNC-CH's expendable resources to debt ratio was 1.52x, and its debt service to operations ratio was 3.34% -- both are consistent with the UNC-CH's debt policy. UNC-CH's general revenue pledge debt is currently rated Aa1 by Moody's, and the agency has assigned a "Stable" outlook on the University's long-term rating. These ratings were affirmed in November 2009.

#### Lenoir Hall Renovations – \$5,000,000

This project would extend the second floor into a two-story atrium space to create approximately 1,984 square feet of additional second floor space within Lenoir Dining Hall (built in 1939 with renovations in 2008 totaling 82,532 square feet). The additional floor space would improve second floor circulation during peak use periods, expand seating by 40 seats, and allow additional dining services on the second floor. The project would be financed from indebtedness to be repaid from approximately \$13.92 of the \$18.10 increase in the Student Dining Debt Service Fee. The proposed fee increase was approved by the UNC-CH Board of Trustees with student participation, as required by the Board's tuition and fee policy. The \$18.10 increase in the student dining debt service fee is part of the \$27.35 net increase in debt service fees that was approved for UNC-CH by the Board of Governors in February 2010.

#### Woollen Gymnasium Renovations, Phase 2 – \$7,100,000

This project would renovate the approximately 30,099 square feet in the basement level of Woollen Gymnasium (built in 1937 with 163,872 square feet). The basement level is currently set up like a 1930's gym with large locker rooms, equipment check out and storage rooms, squash courts, and various other spaces that have not been reprogrammed since the 1960's. The departments of Exercise and Sports Science, Campus Recreation and Athletics would like to reprogram to better suit the needs of current program activities. Work would include updating the locker rooms, revamping court space, and right-sizing the equipment storage space. The project would be financed from \$750,000 of Student Recreation Fee fund balance and \$6,350,000 of indebtedness to be repaid from athletics receipts.

### **The University of North Carolina at Charlotte**

#### Football Complex – \$45,394,000

This project, which received advance planning authority in 2009, would build a 15,000-seat stadium, concessions, restrooms, game field, practice fields, and athlete training facility. The athletic training facility would be comprised of a 44,000 square-foot building incorporating athletic offices, meeting spaces, academic center, weight and training rooms, locker rooms, and restrooms. The project would also relocate existing recreation fields to accommodate the new stadium and practice fields. Estimated to cost \$45,394,000, the complex will be funded from a combination of gifts (\$5,394,000) and indebtedness (\$40,000,000) to be repaid from a new \$120 debt service fee. The proposed debt service fee was approved by the UNCC Board of Trustees with student participation, as required by the Board's tuition and fee policy. The increase of \$120 was approved for UNCC by the Board of Governors in February 2010.

#### Parking Deck I – \$ 28,080,000

This project, which received advance planning authority in 2009, would provide an approximately 1,307-space parking deck near the EPIC Building at the Charlotte Research



Institute. This parking structure is required to meet increased demand created by projected enrollment increases and the institution's academic mission outlined in UNC Tomorrow. The project would be financed from indebtedness to be repaid from parking receipts.

### **The University of North Carolina at Greensboro**

#### Quad Residence Halls Comprehensive Renovation and Expansion - \$52,500,000

This project would renovate seven existing residence halls: Shaw, Hinshaw, Bailey, Jamison, Gray, Cotten, and Coit. These buildings were originally constructed between 1920 and 1923 and total approximately 211,500 square feet. Work would include total interior demolition and comprehensive renovation of all seven buildings. The renovations would include: new bedroom configurations incorporating both single bedroom and double bedroom suites; new fire suppression sprinkler systems and fire alarm systems; exterior masonry wall repairs; energy efficient window installation; and necessary upgraded utilities infrastructure. As part of UNCG's Strategic Housing Master Plan, Shaw Residence Hall would be expanded by approximately 30,000 square feet to provide 5,000 square feet of space for a Living and Learning Center and for additional bedrooms. The Living and Learning Center enhances the student learning experience by co-mingling classrooms, meeting rooms, and student support areas within the traditional residence hall setting. This project would be financed from indebtedness to be repaid from housing receipts. The estimated impact on students would be that all housing rents would be increased by an average of 4% per year to produce additional revenues for the housing system. The debt coverage ratio for UNCG's housing system for 2007-08 was 2.12x and 2.48x in 2008-09. With the issuance of this debt, the ratio would remain above 1.10x.

#### Dining Hall Comprehensive Renovation - \$31,500,000

This project would reconfigure the existing Dining Hall (built in 1904 with 152,505 square feet) to provide more efficient use of space to serve an increasing student population. The building currently contains Dining Services Administration offices; various retail dining venues, including national brands; a full service, all-you-can-eat board plan (cafeteria); and a retail restaurant. The project would modernize the service areas in the cafeteria to allow higher volume food service while improving the customer experience; maximize the use of retail and administrative space; replace the building's infrastructure, including plumbing, mechanical and electrical systems; and address accessibility issues. Construction would be phased to allow the cafeteria to operate continuously. This project would be financed from indebtedness to be repaid from dining receipts. The estimated impact on students would be that dining costs would increase by an average of 3.0% per year to produce additional revenues for the dining system. The debt coverage ratio for UNCG's dining system for 2007-08 was 7.81x and 8.24x in 2008-09. With the issuance of this debt, the ratio would remain above 1.24x.

#### Ragsdale and Mendenhall Residence Halls Fire Suppression Sprinkler System Installation – \$1,700,000

This project would install fire suppression sprinkler systems in Ragsdale Residence Hall (built in 1950 with 46,685 square feet) and Mendenhall Residence Hall (built in 1950 with 45,493 square feet). Work would extend the fire protection water main from the street to the

residence halls, replace the existing fire alarm systems, and replace corridor ceiling tiles as needed. The project would be financed from housing receipts.

### **Western Carolina University**

#### **Residence Halls Renovation – \$4,735,300**

This project was previously approved by the General Assembly. The proposed increase would expand Harrill Residence Hall (built in 1971 with 71,072 square feet) by 5,800 square feet to provide needed mechanical room space (basement level) and classroom, meeting room and student support space (lobby level). The increase would also support improvements to the building envelope and mechanical, electrical and plumbing systems to comply with current North Carolina energy requirements; support the methods and systems necessary for the campus to meet its goal of obtaining LEED Silver or greater certification for the renovated building; and support the work necessary to bring the exterior of the building into compliance with University Master Plan Guidelines. The project would be financed from indebtedness to be repaid from housing receipts. The total project cost would be \$15,000,000.

### **Projects for UNC Hospitals for which Borrowing Authorization is recommended:**

UNC Hospitals has requested permission to seek borrowing authorization supporting three capital improvements projects described below and that were established in accordance with G.S. 116-37. These projects, with an estimated capital cost of \$54,648,000, would be financed from indebtedness to be repaid from hospital receipts from the provision of patient care in accordance with G.S. 116D-21. The requested financing method requires legislative authorization.

#### **Ambulatory Care Center (ACC) Operating Room Expansion – \$26,777,000**

There are four existing OR's and support space at the ACC. UNC Hospitals also has received a Certificate of Need to add four operating rooms to the existing four OR's. The ACC space is inefficiently organized and cramped, and the plan is to improve flow and operations of the existing space, add the four new OR's, add twelve 23-hour holding rooms, improve pre- and post-operative space, enhance general support space, central distribution services, and allow for expanded waiting and other support as required. The project requires the internal relocation of Radiology and the Laboratory services as well as the external relocation of University Employee Health, Dermatology and Rheumatology. The project is under construction with a budget of \$26,777,000. UNC Hospitals originally sought to pay for these projects with operating reserves. Due to historically low bond interest rates, it is in the best interest of UNC Hospitals at Chapel Hill to finance this project.

#### **Imaging and Outpatient Clinic Development – \$21,871,000**

The Imaging and Outpatient Clinic is a new two-story, 31,078 square-foot building under construction on 2.5 acres with 100 parking spaces at the intersection of Raleigh Road and Finley Golf Course Road. The first floor will be occupied by an Imaging Center that includes radiology equipment and a loading dock for mobile imaging equipment. The second floor will house a Spine Center and clinic facility. The project is under construction with a budget

of \$21,871,000. Due to historically low bond interest rates, it is in the best interest of UNC Hospitals at Chapel Hill to finance this project.

General Internal Hospital Renovations – \$6,000,000

UNC Hospitals operates in many facilities that are more than 55-years old. Modern health care services require significantly more space, technology, and support than many of the existing facilities can accommodate. In addition, growth in health care services and increasing demand for care from the citizens of North Carolina require that space be renovated on a periodic basis to meet requirements for care. UNC Hospitals plans to conduct general internal hospital renovations for projects designed to meet these needs. UNC Hospitals proposes to seek bond financing for up to \$6,000,000 for general internal hospital renovations. Due to historically low bond interest rates, it is in the best interest of UNC Hospitals at Chapel Hill to finance this project.

**Projects recommended for Advance Planning only:**

The Board of Governors is asked to review and approve projects funded from non-General Fund sources for advance planning only. This process will allow the Chancellors and campuses to hire external experts to help with the initial planning, sizing, and cost-estimating process for future non-General Fund requests. This process will save time and money by reducing the time period from final approval for legislative consideration and construction.

**The University of North Carolina at Charlotte**

New Residence Hall Phase X – Advance Planning

This project would build a 700-bed Residence Hall that is needed due to the growth of the University. A combination of both apartment and suite-style room arrangements would be incorporated. The building would be built using LEED elements to be environmentally and energy efficient. Each floor would include a classroom, laundry rooms, lounge, multi-purpose room and wireless internet access in the common areas. This would be a free-standing structure located at South Village. The building would have ADA and service vehicle parking. Estimated to cost \$51,565,000, Advance Planning authorization of \$5,156,500 to be funded from housing receipts would be requested during the 2010 Session.

Residence Dining Hall Renovation/Replacement – Advance Planning

This project would build a 66,992 square-foot building to include dining spaces, offices, kitchen, food service areas, and restrooms. A new dining hall is required to accommodate the increased number of students in the South Residential Village per the University Master Plan. The building would be located near Scott Hall and the traffic circle leading into campus. The existing Residence Dining Hall (RDH) is out of date and is inadequate to provide service needed to support the number of students proposed by the University Master Plan. The project will assess other possible uses for the existing RDH. This project will be designed and constructed to a LEED certified standard and in accordance with provisions of SL 2007-546 (SB668). Estimated to cost \$20,330,000, Advance Planning authorization of \$2,033,000 to be funded from dining receipts would be requested during the 2010 Session.

Parking Deck J – Advance Planning

This project would provide an approximately 1,000-space parking deck located near the proposed residence halls at the South Village. This parking structure is required to meet increased demand created by projected enrollment increases and the academic mission outlined in UNC Tomorrow. Estimated to cost \$27,418,000, Advance Planning authorization of \$2,741,800 to be funded from parking receipts would be requested during the 2010 Session.

**The University of North Carolina at Pembroke**Student Health Services Comprehensive Renovation and Addition – Advance Planning

This project would renovate and expand the Student Health Services Building (built in 1966 with 5,523 square feet) to provide additional office and testing spaces for related functions such as Student Counseling and Testing (C&T) and Disability Support Services (DSS). The project would involve the demolition of the one-story, wood-framed nursing teaching building, and building a two-story, approximately 10,000 square-foot addition on the Student Health Services building. Estimated to cost \$ 3,900,520, Advance Planning authorization of \$390,052 to be funded from student health fee fund balance would be requested during the 2010 Session.

Chart 1  
THE UNIVERSITY OF NORTH CAROLINA  
2010 Non Appropriated Projects Request  
Impact of Additional Debt

Institution	Project Title	Total (\$)	Debt (\$)	Source of Funds	Funding Source Viability Ratio			Moody's	
					2007-08	2008-09	Projected After Issuance	Current Credit Rating	Expected Credit Rating
ASU	Center for Student Leadership and Development Honors Residence Hall	32,887,000	32,887,000	Housing receipts	1.77x	1.69x	1.20x	A1	A1
NCA&T	Aggie Stadium Press Box Renovation and Expansion	3,200,000	3,200,000	Gifts, Seat licenses, Athletic receipts	2.30x	1.75x	1.90x	A2*	A2
NCSU	Greek Village Townhouses	25,000,000	25,000,000	Housing receipts	1.47x	1.43x	1.35x	Aa2	Aa2
UNCA	Governors Village Renovation and Expansion	24,917,000	24,917,000	Housing receipts	1.15x	1.21x	1.20x	A2	A2
UNC-CH	Kenan Stadium Improvements, Phase 2 Carolina Student Athlete Center for Excellence	55,000,000	55,000,000	Athletic receipts; Gifts	1.96x	1.52x	1.41x	Aa1	Aa1
UNC-CH	Woollen Gymnasium Renovations, Phase 2	7,100,000	7,100,000	Campus recreation receipts; Athletic receipts	1.96x	1.52x	1.41x	Aa1	Aa1
UNCC	Parking Deck I	28,080,000	28,080,000	Parking receipts	2.18x	1.94x	1.20x	A1	A1
UNCG	Quad Residence Halls Comprehensive Renovation and Expansion	52,500,000	52,500,000	Housing receipts	2.12x	2.48x	1.10x	A1	A1
UNCG	Dining Hall Comprehensive Renovation	31,500,000	31,500,000	Dining receipts	7.81x	8.24x	1.24x	A1	A1
WCU	Residence Halls Renovation	4,735,300	4,735,300	Housing receipts	2.43x	3.27x	3.00x	A1	A1
<b>Affiliated Enterprises</b>									
UNC Hospitals	Ambulatory Care Center (ACC) Operating Room Expansion	26,777,000	26,777,000	Hospital receipts from patient care	2.08x	1.94x	2.75x	Aa3	Aa3
UNC Hospitals	Imaging and Outpatient Clinic Development	21,871,000	21,871,000	Hospital receipts from patient care	2.08x	1.94x	2.75x	Aa3	Aa3
UNC Hospitals	General Internal Hospital Renovations	6,000,000	6,000,000	Hospital receipts from patient care	2.08x	1.94x	2.75x	Aa3	Aa3

**Viability Ratio** (times coverage) This ratio indicates one of the most basic determinants of financial health by measuring the availability of liquid and expendable net assets compared to aggregate debt. The ratio measures the medium to long-term health of the University's balance sheet and debt capacity.

\*NCA&T has not been recently rated. A rating of A2 has been implied by Moody's.