

Expansion of Millennial Campus – Appalachian State University

ISSUE OVERVIEW

G.S. 116-198.34 grants the Board of Governors authority to designate real property as a millennial campus when recommended by the president. It states that “designation shall be based on an express finding by the Board of Governors that the institution desiring to create a millennial campus has the administrative and fiscal capability to create and maintain such a campus and provided further, that the Board of Governors has found that the creation of the constituent institution’s millennial campus will enhance the institution’s research, teaching, and service missions as well as enhance the economic development of the region served by the institution.”

The Board of Governors previously approved approximately 266 acres for the millennial campus designation at Appalachian State University and is required to approve any modification to the millennial campus designation. The Appalachian State University Board of Trustees is requesting a modification to the millennial campus designation to add approximately 317 acres for the following purposes: 1) provide flexibility to enter into agreements with private sector firms for development, 2) issue bonds to finance development, and 3) earn revenue through leasing space to third parties. The sites to be added to the millennial campus include the following:

1. West Campus Residential Mountaineer Hall and Appalachian Heights	16.45 acres
2. East Campus Residential Halls: Summit, Appalachian, Cone, East, Lovill, Cannon, Hoey, White, and Doughton Halls	9.11 acres
3. East Campus surface parking lots	1.74 acres
4. Garwood Hall parking lot and River Street parking deck	10.00 acres
5. Alice Roess Dining Hall and Steam Plant	5.06 acres
6. Schaefer Center for the Performing Arts	1.97 acres
7. Peacock Hall, Edwin Duncan, Chapel Wilson, Turchin Center for the Visual Arts, Library Parking Deck, and surface parking lots	14.13 acres
8. Holmes Convention Center and surface parking lots	15.96 acres
9. McKinney Alumni Center	0.893 acres
10. New River Light and Power	51.655 acres
11. State Farm	<u>190.00 acres</u>
TOTAL	316.98 acres

The proposed properties have the potential for building multiple parking structures and opportunities to enhance the university’s research, teaching, and service mission, as well as both short-term and long-term economic development of its service area. Potential construction projects could also take advantage of public-private partnerships (P3) made possible by millennial campus designation.

RECOMMENDATION

It is recommended that the Board of Governors approve the modification to the millennial campus designation with the understanding that specific projects, leases, and other actions related to the millennial campus – including those on property owned by an endowment board – shall be subject to Board of Governor’s approval unless authorized under delegated authority.

Proposed Additions to Millennial Campus

Appalachian State University Board of Trustees

Approved March 27, 2020



Millennial Campus

Authorized by North Carolina General Statute 116-198 Article 21B

To build strategic facilities to support a community of academic excellence in ways that are economically sound, achievable in the near term, timely and relevant for a growing campus by taking advantage of available options under this designation including:

- Flexibility to enter into agreements with private sector firms to develop the properties
- Issuing bonds to finance development
- Earning revenue through leasing space in the properties to 3rd party

Millennial Campus

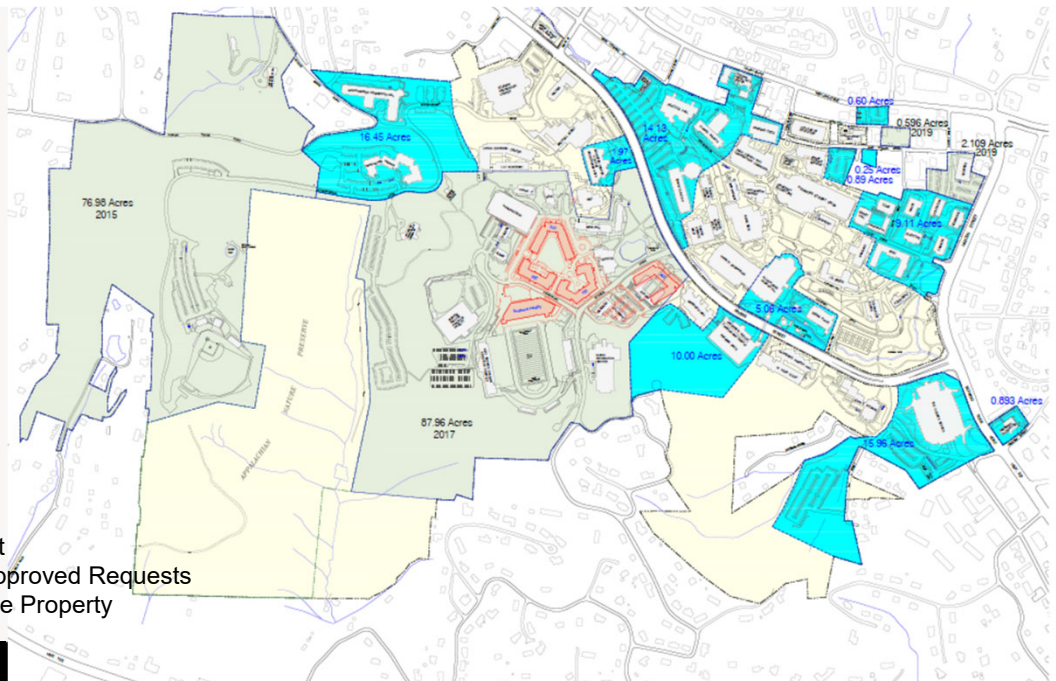
GS 116-36.5 provides that revenues "received through **development** of a Millennial Campus of a constituent institution of The University of North Carolina as defined by G.S. 116 198.33(4b), from whatever source, **including the net proceeds from the lease or rental of real property on a Millennial Campus**, shall be placed in a special, continuing, and non-reverting trust fund having the sole and exclusive use for further development of that Millennial Campus, including its operational development.

- Wake Forest Lease on Leon Levine Health College
- P3 Housing Ground Lease (Net Proceeds) on West Campus
- Potential Health Clinic Lease in the End Zone

Proposed Millennial On- Campus

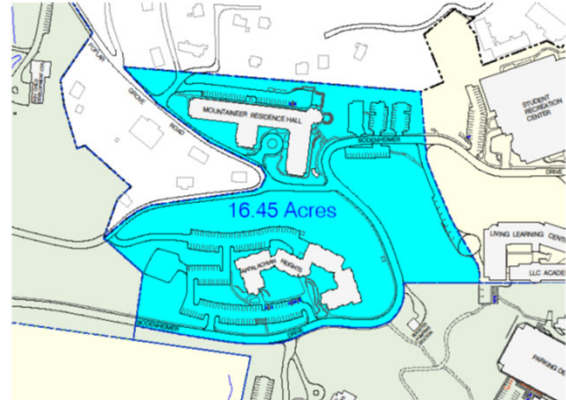
Color Legend

- New Request
- Previously Approved Requests
- Campus/State Property



West Campus – Residential

- Mountaineer Hall
- Appalachian Heights

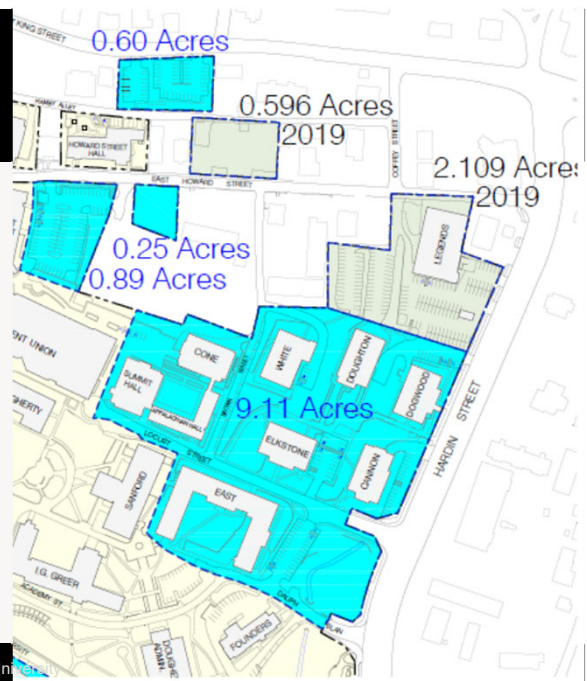


5

Appalachian State University

East Campus

- Residential Halls - 9.11 acres
Summit, Appalachian, Cone, East, Elkstone, Cannon, Dogwood, White and Doughton
- Parking lots - 1.74 acres

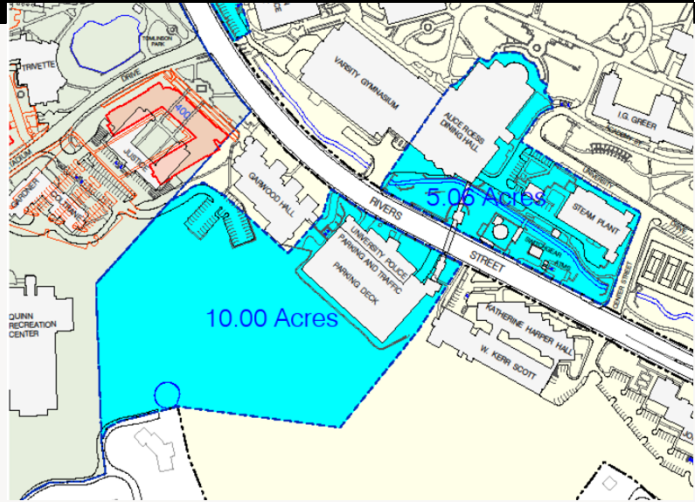


6

Appalachian State University

Rivers Street

- Garwood Hall Parking Lot
- Rivers Street Parking Deck
- Alice Roess Dining Hall
- Steam Plant

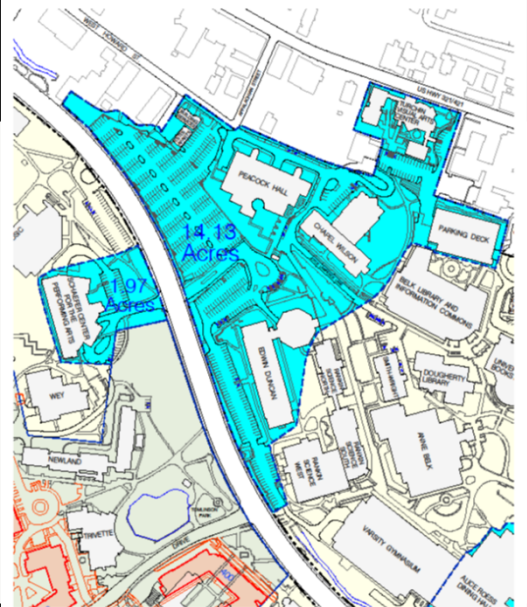


7

Appalachian State University

Rivers Street - North

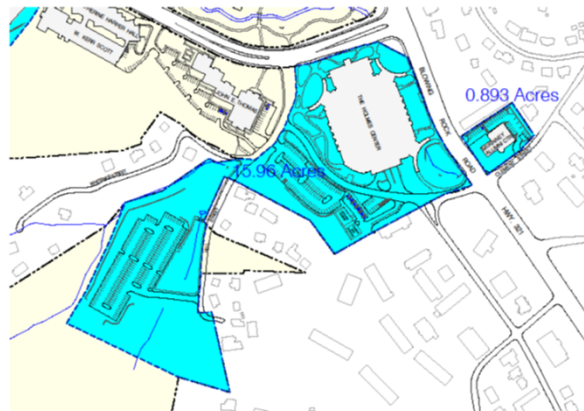
- Schaefer Center for the Performing Arts
- Peacock Hall
- Chapel Wilson
- Edwin Duncan
- Library parking deck
- Turchin Center for the Visual Arts
- Peacock and Duncan parking lots



8

Appalachian State University

Holmes Convocation Center and Parking McKinney Alumni Center



9

Appalachian State University

New River Light and Power



NRLP Office and Motor pool



Storage and Laydown Yard



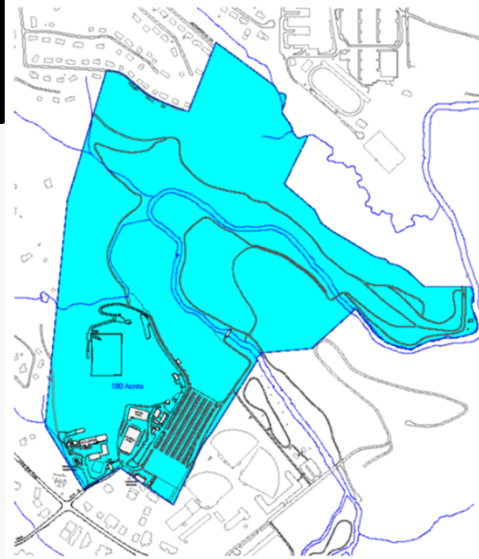
Old Hydro Dam Site

10

Appalachian State University

State Farm Property

- 190 acres and site of Facilities Operations
- Field Hockey
- Multi-use Fields
- Nature Preserve

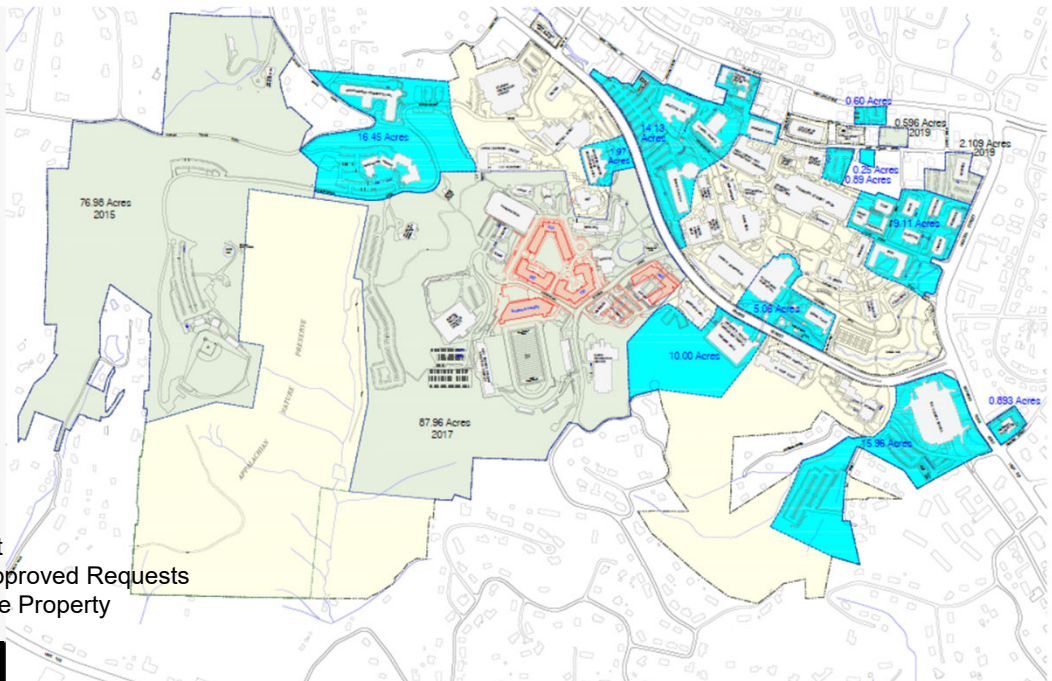


11

Appalachian State University

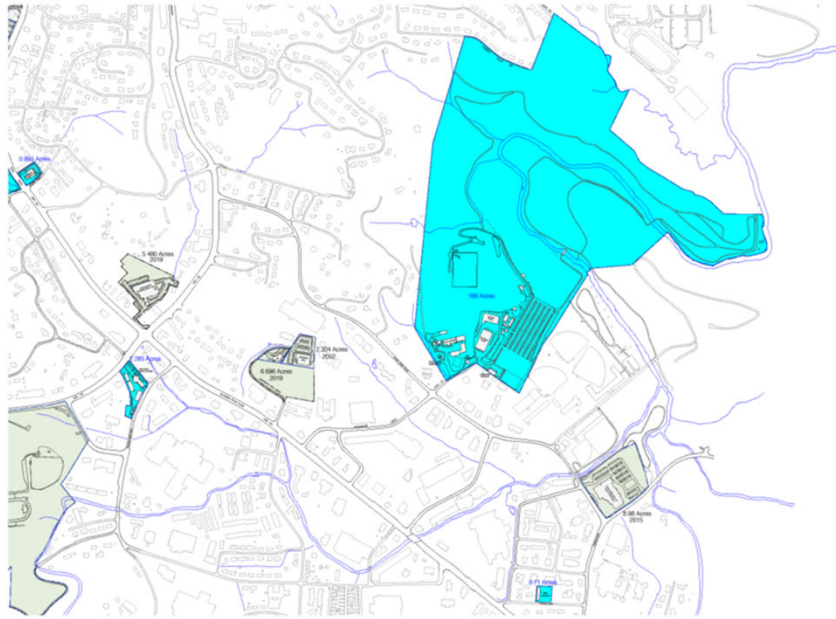
Proposed Millennial On- Campus

- Color Legend
- New Request
 - Previously Approved Requests
 - Campus/State Property



12

Proposed Millennial Off- Campus



13

Appalachian State University

Benefits of Millennial Campus

- Ability to do Public Private Partnerships
- Promote Regional Economic Development
- Streamlining approval processes
 - ☐ Board of Trustee and Board of Governor approvals
 - ☐ Construction
 - ☐ Issue Millennial Debt

14

Appalachian State University

Potential Millennial Campus Development

- Construction of Parking Deck Facilities
- Revitalize Peacock Hall for largest undergraduate business school program
- Day Light Boone Creek
 - ☐ Community Involvement
 - ☐ Potential P3 Opportunity
 - ☐ Grants
- Solar projects

15

Appalachian State University

Potential Millennial Campus Development (cont.)

- Streamline Approvals and Construction for Auxiliary Operations
 - ☐ Housing
 - ☐ Dining
 - ☐ Parking
 - ☐ Steam Plant and New River Light and Power
 - ☐ Convocation, Theater and Visual Art Centers

16

Appalachian State University

Summary

- Authorized by North Carolina General Statute 116-198 Article 21B.
- Currently in P3 development of 2100 beds and parking deck. Project is on-time and on budget.
- Successful model at other constituent institutions.

17

Appalachian State University

Action

The Appalachian State University Board of Trustees request the Board of Governors authorize and endorse the designation of the real property, enumerated in this presentation, as a part of the University's Millennial Campus. The real property tracts are listed in the maps attached to this document.

18

Appalachian State University