

## Approval of 2023-24 Self-Liquidating Capital Improvement Projects

### ISSUE OVERVIEW

Non-appropriated capital projects are financed by the university and include the construction, repair, or renovation of facilities such as residence halls, dining facilities, research buildings, athletic facilities, and student health buildings. Legislative approval is required for the issuance of debt; these “self-liquidating” capital projects are approved by the legislature after the passage of the Appropriations Act. These projects, if approved by the University of North Carolina Board of Governors, are submitted for legislative action. Legislative approval is not required for non-appropriated capital projects that do not require debt issuance.

Project	Total	Cash/GO Bond/Other	Debt	Source of Funds
<b>Appalachian State University</b>				
App 105 Phase 3-Women’s Softball and Indoor Tennis	\$10,000,000	-	\$10,000,000	Debt service fee
<i>App State Subtotal</i>	<i>\$10,000,000</i>	<i>-</i>	<i>\$10,000,000</i>	
<b>NC State University</b>				
University Towers Acquisition and Renovation	\$52,000,000	-	\$52,000,000	Housing auxiliary funds
<i>NCSU Subtotal</i>	<i>\$52,000,000</i>	<i>-</i>	<i>\$52,000,000</i>	
<b>University of North Carolina-Chapel Hill</b>				
Avery Residence Hall Renovation	\$32,350,000	\$2,350,000	\$30,000,000	Housing receipts
Bingham Hall Comprehensive Renovation	\$18,530,460	\$9,530,460	\$9,000,000	Trust funds
Business School (McColl Addition)	\$180,000,000	\$165,000,000	\$15,000,000	State appropriation/ donations and gifts/trust funds
Chilled Water Infrastructure Expansion	\$15,000,000	-	\$15,000,000	Utility receipts
Nursing School (Carrington Hall Redevelopment)	\$94,000,000*	\$84,000,000*	\$10,000,000	State appropriations/ donations and gifts
<i>UNC-CH Subtotal</i>	<i>\$339,880,460</i>	<i>\$260,880,460</i>	<i>\$79,000,000</i>	
<b>University of North Carolina at Pembroke</b>				
Campus Recreation/ Baseball Softball Outdoor Complex	\$11,300,000	\$3,480,000	\$7,820,000	Debt service fee/trust funds/ donations and gifts
<i>UNCP Subtotal</i>	<i>\$11,300,000</i>	<i>\$3,480,000</i>	<i>\$7,820,000</i>	
<b>Western Carolina University</b>				
Athletic Facility Improvements	\$66,400,000	\$36,400,000	\$30,000,000	Debt service fee/ donations and gifts
<i>WCU Subtotal</i>	<i>\$66,400,000</i>	<i>\$36,400,000</i>	<i>\$30,000,000</i>	
<b>Grand Total</b>	<b>\$479,580,460</b>	<b>\$300,760,460</b>	<b>\$178,820,000</b>	

\* S.L. 2021-180 appropriated \$65.2 million of State Capital and Infrastructure Funds (SCIF) for the Nursing School Renovation (UNC/CH20-2). UNC-Chapel Hill is requesting an additional \$19.0 million in the FY2023-25 biennium.

## **ADDITIONAL DETAILS**

### **Appalachian State University**

Project: App 105 Phase 3 – Women’s Softball and Indoor Tennis

Total Cost: \$10,000,000

Debt Issuance: \$10,000,000

Description: This project includes development of a new softball stadium and indoor tennis facility. The softball stadium will include synthetic turf surface, dugouts, bullpens, fencing, press box, bleachers, stadium lighting, batting cages and locker rooms. The indoor tennis facility will include four to six indoor courts and locker rooms. Both facilities will be utilized by App State NCAA Division I sports programs, students, and the community as available.

Funding: The funding source for this project is an existing debt service fee and gifts and donations.

### **NC State University**

Project: University Towers Acquisition and Renovation

Total Cost: \$52,000,000

Debt Issuance: \$52,000,000

Description: This project includes the acquisition of University Towers, a 900-bed residence hall with a 470-car parking deck, adjacent to campus for \$29.6 million. The project also includes the comprehensive renovation of the property at an estimated cost of \$22.4 million. The renovation will begin May 2024 and will be completed by Fall 2025.

Funding: The funding source for this project is housing auxiliary funds.

### **University of North Carolina – Chapel Hill**

Project: Avery Residence Hall Renovation

Total Cost: \$32,350,000

Debt issuance: \$30,000,000

Description: The project includes the comprehensive renovation of an existing residential building including improving building accessibility and providing accessible residential rooms. The scope of work also includes elevator replacement, building envelope repair and window replacement, a new centralized mechanical system, upgrading interior finishes in all residential rooms, and renovations to administrative and support service areas. Avery Residence Hall was constructed in 1958 and includes 230 beds.

Funding: The funding source for this project is housing receipts.

Project: Bingham Hall Comprehensive Renovation

Total Cost: \$18,536,460

Debt issuance: \$9,000,000

Description: The project includes the comprehensive renovation of Bingham Hall, an academic office and classroom building, constructed in 1928. The scope of work will address extensive deferred maintenance including hazardous materials abatement; complete replacement of mechanical, electrical, plumbing, and fire protection systems; roof and window replacement; masonry repair; new interior finishes; and minor interior modifications.

Funding: The funding source for this project is facilities and administrative receipts.

Project: Business School (McColl Addition)  
Total Cost: \$180,000,000  
Debt issuance: \$15,000,000  
Description: The 2021 Appropriations Act (S.L. 2021-180) requires the University of North Carolina-Chapel Hill to provide funding of at least \$75,000,000 from non-State sources by June 30, 2022, for the Business School project. After opening bids in December 2022, an additional \$30,000,000 will be required to award the project. UNC-Chapel Hill requested and received an additional \$15,000,000 from the Flex Funds administered by the Office of State Budget Management with the requirement for UNC-Chapel Hill to provide \$15,000,000 in matching funds.  
Funding: The funding source for this project is state appropriations, donations and gifts, and trust fund.

Project: Chilled Water Infrastructure Expansion  
Total Cost: \$15,000,000  
Debt issuance: \$15,000,000  
Description: The project includes replacing equipment and infrastructure which is past its useful life and addressing capacity limits based on current and forecasted demand. The project will be accomplished in multiple phases and includes renovations and upgrades at the east chiller plant, the installation of three chillers, and replacement of deteriorated cooling towers at the north chiller plant.  
Funding: The funding source for this project is utility receipts.

Project: Nursing School (Carrington Hall Redevelopment)  
Total Cost: \$94,000,000  
Debt issuance: \$10,000,000  
Description: The 2021 Appropriations Act (S.L. 2021-180) provided state appropriations for the renovation of the nursing school. After reviewing the condition of the original 1969 structure and the need to increase enrollment by 50%, new construction is a more feasible option. The new building will support planned enrollment expansion; significantly increase simulation and innovation space; add new classrooms, student study, and collaboration spaces; and provide offices for additional faculty and staff. The project costs have increased due to significant escalation in construction costs and a change in scope to accommodate additional student capacity.  
Funding: The funding source for this project is state appropriations and donations and gifts.

**University of North Carolina at Pembroke**

Project: Campus Recreation/Baseball Softball Outdoor Complex  
Total Cost: \$11,300,000  
Debt issuance: \$7,820,000  
Description: S.L. 2018-35 authorized \$4.4 million of debt for this project which was approved by the Board of Governors on March 21, 2018. This is a request to increase the debt authorization to \$7.82 million to address escalating construction costs and minor scope adjustments. The scope of the project includes installing artificial turf at the existing campus recreation field, new lighting at the campus recreation and baseball fields, a new press box, seating upgrades at the softball and baseball fields, renovation of the concession and restroom facilities, new indoor batting facilities, a new entry plaza, and new perimeter fencing.  
Funding: The funding source for this project is a debt service fee and trust funds.

**Western Carolina University**

Project: Athletic Facility Improvements

Total Cost: \$66,400,000

Debt issuance: \$30,000,000

Description: The project includes three athletic facilities that will be constructed in phases: Whitmire Stadium improvements, a new football operations facility, and a new field sports complex. The Whitmire Stadium improvements include a new facility with an academic suite, a chancellor’s suite, and a press box and will be constructed above the existing restroom and concession facilities. This phase also includes a new parking garage, an improved entry plaza, and an improved pedestrian walk. The upper section of the east stands will also be demolished and replaced. The new football operations facility will include locker rooms, player’s lounge, equipment storage, team meeting spaces, and coaches’ offices. The facility will also include an athletics hall of fame, sports medicine, strength and conditioning rooms, and academic facilities for student athletes. The new field sports complex will relocate the existing soccer, track and field, and golf facilities, which are currently located in the flood plain and beyond their useful life. The new location will be in close proximity to other athletic facilities and will provide men’s and women’s track and field locker rooms, a soccer locker room, an indoor golf practice facility, a satellite training room, and a shared player lounge.

Funding: The funding source for this project is the athletic debt service fee and donations and gifts.

**RECOMMENDATION**

It is recommended that the Board of Governors approve the submittal of the non-appropriated (self-liquidating) capital projects for legislative approval of debt issuance.