

**DESCRIPTION OF INTERIM CAPITAL PROJECTS FOR CONSIDERATION**

February 1, 2018

**USC-COLUMBIA**

**PROJECT NAME:** Honors College Residence Hall Expansion  
**REQUESTED ACTION:** Establish Project  
**REQUESTED ACTION AMOUNT:** \$279,000 (1.5%)  
*Internal Projected Cost:* \$18,600,000  
**INITIAL CHE APPROVAL DATE:** N/A

**DESCRIPTION:**

The University requests to establish a project to expand the Honors College Residence Hall and complete the design as originally intended. The project will add 42,275 SF to the current 192,724 SF footprint of the Residence Hall. The expansion will provide 136 new beds and an apartment for a resident faculty member, 4 classrooms for 25-30 students, 1 larger lecture room for 75-100 students, and 6 faculty offices. The residence hall is located in the central campus, is relatively new with attractive student amenities, and houses student programming space for the Honors College. The project was submitted as Year 1 institutional priority 2 of 9 for 2017-2018. No debt will be issued for this project.

The initial construction for 537 beds, 3 apartments, academic center, and dining option was completed in Fall 2009 for a total budget of \$47,568,508.35. The project was funded with Housing Revenue Bonds, which were refinanced in 2016. During the procurement process for the original plans, bids received were higher than the approved budget. The scope was then revised to eliminate the annex. The annex was subsequently negotiated separately for \$10.3M, but was not added back into the project.

The Honors College Residence Hall rates fall in the upper quartile of the University Housing options. The rates for the expansion wing will follow the current Honors College Hall. Rates typically increase 3-4% annually to account for inflation.

2014	Single:	\$3,675 per semester
	Double:	\$3,100 per semester
2015	Single:	\$3,815 per semester
	Double:	\$3,220 per semester
2016	Single:	\$3,985 per semester
	Double:	\$3,365 per semester
2017	Single:	\$4,135 per semester
	Double:	\$3,490 per semester
2018	Single:	\$4,310 per semester
	Double:	\$3,640 per semester

Freshmen are encouraged, but not required to live in this residence hall. The Honors Residence Hall was intended to accommodate students in all classes, not just freshmen, but the current facility can only accommodate about one quarter of the students in the Honors College. Returning students, due to demand, are no longer allowed to request this housing option. (Honors College Enrollment data attached.)

**SOURCE OF FUNDS: 2015-2016 CAPITAL RESERVE FUNDS AND HOUSING OPERATING FUNDS**

\$5M was appropriated from the Capital Reserve Fund by the General Assembly as part of the 2015-2016 budget process. Capital Reserve Funds will be used for Phase I, A&E. The remaining funds for the current estimate will come from Housing Operating Funds, which include revenues generated from students, laundry operations, conferences, and interest.

**E&G MAINTENANCE NEEDS:**

N/A – Auxiliary Building

**ANNUAL OPERATING COSTS/SAVINGS:**

Additional operating costs are expected and will be budgeted from Housing operating budget. At this time, additional annual costs are expected to be \$290,020. Two additional positions will be needed, which are included in the custodial, maintenance, and administrative cost lines.

## Honors College student data

<b>Academic year</b>	<b>Freshman class</b>	<b>Total student body</b>
17-18	581	2,072
16-17	500	1,839
15-16	488	1,734
14-15	436	1,640
13-14	411	1,521
12-13	349	1,463
11-12	349	1,430
10-11	338	1,388
09-10	321	1,259
08-09	310	1,191
10 Year Change	87%	74%

**UNIVERSITY OF SOUTH CAROLINA - COLUMBIA CAMPUS  
REVENUE BONDS - HOUSING  
June 30, 2017**

**SERIES 2008A  
HOUSING**

*Schedule of Amortization and Debt Service Requirements on  
\$48,225,000 Revenue Bonds, Series 2008A dated April 1, 2008  
Variable interest rates as shown below.*

*Paying Agent: The Bank of New York Mellon Trust Company, N. A.*

<u>YEAR</u>	<u>MATURITY INTEREST RATE</u>	<u>INTEREST</u>		<u>PRINCIPAL</u>	<u>TOTAL ANNUAL DEBT SERVICE</u>
		<u>DECEMBER 1</u>	<u>JUNE 1</u>	<u>JUNE 1</u>	
2017/18	4.000%	<u>23,100.00</u>	<u>23,100.00</u>	<u>1,155,000.00</u>	<u>1,201,200.00</u>
TOTALS		<u><u>23,100.00</u></u>	<u><u>23,100.00</u></u>	<u><u>1,155,000.00</u></u>	<u><u>1,201,200.00</u></u>

Project funded with this issuance:  
Honors Dorm Construction

**UNIVERSITY OF SOUTH CAROLINA - COLUMBIA CAMPUS**  
**REVENUE BONDS - HOUSING**  
**June 30, 2017**

**SERIES 2016A REVENUE REFUNDING BONDS**  
**HOUSING**

*Schedule of Amortization and Debt Service Requirements on  
\$35,300,000 Revenue, Refunding Series 2016A dated July 1, 2016  
refunding a portion of Original Series 2008A \$48,225,000 dated April 1, 2008  
Variable interest rates as shown below.*

*Paying Agent: US Bank National Association*

YEAR	MATURITY INTEREST RATE	INTEREST		PRINCIPAL	TOTAL ANNUAL DEBT SERVICE
		NOVEMBER 1	MAY 1	MAY 1	
2017/18	n/a	846,575.00	846,575.00	0.00	1,693,150.00
2018/19	5.000%	846,575.00	846,575.00	1,065,000.00	2,758,150.00
2019/20	5.000%	819,950.00	819,950.00	1,110,000.00	2,749,900.00
2020/21	5.000%	792,200.00	792,200.00	1,155,000.00	2,739,400.00
2021/22	5.000%	763,325.00	763,325.00	1,210,000.00	2,736,650.00
2022/23	5.000%	733,075.00	733,075.00	1,275,000.00	2,741,150.00
2023/24	5.000%	701,200.00	701,200.00	1,350,000.00	2,752,400.00
2024/25	5.000%	667,450.00	667,450.00	1,405,000.00	2,739,900.00
2025/26	4.000%	632,325.00	632,325.00	1,485,000.00	2,749,650.00
2026/27	5.000%	602,625.00	602,625.00	1,565,000.00	2,770,250.00
2027/28	5.000%	563,500.00	563,500.00	1,615,000.00	2,742,000.00
2028/29	5.000%	523,125.00	523,125.00	1,715,000.00	2,761,250.00
2029/30	5.000%	480,250.00	480,250.00	1,800,000.00	2,760,500.00
2030/31	5.000%	435,250.00	435,250.00	1,895,000.00	2,765,500.00
2031/32	5.000%	387,875.00	387,875.00	1,995,000.00	2,770,750.00
2032/33	5.000%	338,000.00	338,000.00	2,100,000.00	2,776,000.00
2033/34	5.000%	285,500.00	285,500.00	2,195,000.00	2,766,000.00
2034/35	5.000%	230,625.00	230,625.00	2,275,000.00	2,736,250.00
2035/36	5.000%	173,750.00	173,750.00	2,390,000.00	2,737,500.00
2036/37	4.000%	114,000.00	114,000.00	2,510,000.00	2,738,000.00
2037/38	4.000%	63,800.00	63,800.00	2,660,000.00	2,787,600.00
2038/39	4.000%	10,600.00	10,600.00	530,000.00	551,200.00
<b>TOTALS</b>		<u>11,011,575.00</u>	<u>11,011,575.00</u>	<u>35,300,000.00</u>	<u>57,323,150.00</u>

FOR DEPARTMENT USE ONLY	
CHE	_____
JBRC	_____
SFAA	_____
JBRC Staff	_____
ADMIN Staff	_____
A-1 Form Mailed	_____
SPIRS Date	_____
Summary	_____

(For Department Use Only)
<b>SUMMARY NUMBER</b>
<b>FORM NUMBER</b>

**PERMANENT IMPROVEMENT PROJECT REQUEST**

1. AGENCY  
 Code H27 Name USC Columbia  
 Contact Person Derek S Gruner Phone (803)777-1184

2. PROJECT  
 Project # \_\_\_\_\_ Name Honors College Residence Hall Expansion  
 Facility # 113 Facility Name Honors Residence

County Code	40 - Richland
New/Revised Budget	\$279,000.00

Project Type	2 - Construct Additional Facilities
Facility Type	4 - Housing/Food Service/Laundry

3. CPIP PROJECT APPROVAL FOR CURRENT FISCAL YEAR  
 CPIP priority number 2 of 9 for FY 2018

4. PROJECT ACTION PROPOSED (Indicate all requested actions by checking the appropriate boxes.)

Establish Project	<input checked="" type="checkbox"/>	Decrease Budget	<input type="checkbox"/>	Close Project	<input type="checkbox"/>
Establish Project - CPIP	<input type="checkbox"/>	Change Source of Funds	<input type="checkbox"/>	Change Project Name	<input type="checkbox"/>
Increase Budget	<input type="checkbox"/>	Revise Scope	<input type="checkbox"/>	Cancel Project	<input type="checkbox"/>

5. PROJECT DESCRIPTION AND JUSTIFICATION  
 (Explain and justify the project or revision, including what it is, why it is needed, and any alternatives considered. Attach supporting documentation/maps to fully convey the need for the request.)

ACTION: Establish Project

DESCRIPTION: The project will expand the Honors College Residence Hall by constructing the third and final academic and residential wing as was originally envisioned. The expansion will be five stories matching the existing wings providing classrooms, a lecture room and suites for 136 beds. All required sitework and utility infrastructure is included in the project.

JUSTIFICATION: The additional beds and academic space will respond to enrollment growth in the Honors College.

BUDGET: The total projected cost for this project is \$18,600,000 to be funded with State Appropriations and Housing Operating Funds.

6. OPERATING COSTS IMPLICATIONS  
 Attach Form A-49 if any additional operating costs or savings will result from this request. This includes costs to be absorbed with current funding.

7. ESTIMATED PROJECT SCHEDULE AND EXPENDITURES  
 Estimated Start Date: January 2018 Estimated Completion Date: August 2021  
 Estimated Expenditures: Thru Current FY: \$279,000.00 After Current FY: \$18,321,000.00

8. ESTIMATES OF NEW/REVISED PROJECT COSTS

<b>PROJECT #</b>	
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- 1. \_\_\_\_\_ Land Purchase ---->
- 2. \_\_\_\_\_ Building Purchase ---->
- 3. 279,000.00 Professional Services Fees
- 4. \_\_\_\_\_ Equipment and/or Materials ---->
- 5. \_\_\_\_\_ Site Development
- 6. \_\_\_\_\_ New Construction ---->
- 7. \_\_\_\_\_ Renovations - Building Interior ---->
- 8. \_\_\_\_\_ Renovations - Utilities
- 9. \_\_\_\_\_ Roofing - \_\_\_\_\_ Roof Age
- 10. \_\_\_\_\_ Renovations - Building Exterior
- 11. \_\_\_\_\_ Other Permanent Improvements
- 12. \_\_\_\_\_ Landscaping
- 13. \_\_\_\_\_ Builders Risk Insurance
- 14. \_\_\_\_\_ Other Capital Outlay
- 15. \_\_\_\_\_ Labor Costs
- 16. \_\_\_\_\_ Bond Issue Costs
- 17. \_\_\_\_\_ Other: \_\_\_\_\_
- 18. \_\_\_\_\_ Contingency

Land: \_\_\_\_\_ Acres  
 Floor Space: \_\_\_\_\_ Gross Square Feet  
 Information Technology \_\_\_\_\_  
 Floor Space: 47,275 Gross Square Feet  
 Floor Space: \_\_\_\_\_ Gross Square Feet

\$279,000.00 TOTAL PROJECT BUDGET

ENVIRONMENTAL HAZARDS	
Identify all types of significant environmental hazards (including asbestos, PCB's, etc..) present in the project and the financial impact they will have on the project.	
Type:	_____
<u>Cost Breakdown</u>	
Design Services	\$ _____
Monitoring	\$ _____
Abate/Remed	\$ _____
Total Costs	\$ _____ 0.00

9. PROPOSED SOURCE OF FUNDING

Source	Previously Approved Amount	Increase/Decrease	Original/Revised Budget	Transfer to/from Proj. #	Rev Object Code	Treasurer's ID Number	Rev Sub Fund	Exp Sub Fund
(0) CIB, Group			0.00 0.00		8115		3043	3043
(1) Dept. CIB, Group			0.00 0.00		8115		3143	3143
(2) Institution Bonds			0.00 0.00					3235
(3) Revenue Bonds			0.00 0.00					3393
(4) Excess Debt Service			0.00 0.00					3497
(5) Capital Reserve Fund		279,000.00	279,000.00		8895		3603	3603
(6) Appropriated State			0.00		8895	68800100	1001	3600
(7) Federal			0.00 0.00			78800100		5787
(8) Athletic			0.00 0.00			88800100		3807
(9) Other (Specify)			0.00 0.00 0.00			98800100		3907
<b>TOTAL BUDGET</b>	<b>\$0.00</b>	<b>\$279,000.00</b>	<b>\$279,000.00</b>					

10. SUBMITTED BY:  Director, Planning and Programming  
 Signature of Authorized Official and Title

11/30/17  
 Date

11. APPROVED BY: \_\_\_\_\_  
 (For Department Use Only) Authorized Signature and Title

\_\_\_\_\_  
 Date

**ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS  
RESULTING FROM PERMANENT IMPROVEMENT PROJECT**

1. AGENCY  
Code H27 Name University of South Carolina

2. PROJECT  
Project # \_\_\_\_\_ Name Honors College Residence Hall Expansion

3. ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS. (Check whether reporting costs or savings.)

COSTS                       SAVINGS                       NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS/SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) 2019	\$	\$	\$ 313,020.00	\$ 313,020.00
2) 2020	\$	\$	\$ 290,020.00	\$ 290,020.00
3) 2021	\$	\$	\$ 290,020.00	\$ 290,020.00

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).


Housing Operating Funds

6. Will the additional costs be absorbed into your existing budget?  YES                       NO  
If no, how will additional funds be provided?

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year.

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. <u>Custodial Services</u>	<u>27,000</u>
2. <u>Maintenance Services</u>	<u>65,000</u>
3. <u>Utilities</u>	<u>175,780</u>
4. <u>Waste Management</u>	<u>3,440</u>
5. <u>Administration</u>	<u>18,800</u>
6. <u>One-Time Expenses</u>	<u>23,000</u>
7. _____	_____
8. _____	_____
TOTAL	<u>313,020</u>

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved. 2

9. Submitted By:  Director, Planning and Programming                      11/30/17  
Signature of Authorized Official and Title                      Date



**PERMANENT IMPROVEMENT PROJECT INFORMATION FORMAT  
FOR PHASE I A&E PRE-DESIGN PROJECTS**

**Honors College Residence Hall Expansion**

1. What is the internal projected cost of the project?

The total internal projected cost for this project is \$18,600,000.

2. What is/are the source(s) of funds to be used for A&E pre-design?

The source of funds for A&E pre-design are State Capital Reserve Funds.

3. What is your agency/institution's definition of the source(s) of funds used for the A&E pre-design? (Please be specific for each source and if there is a statutory authority authorizing the use of the funds for capital projects for the source, please cite the code section. If a source includes any type of fee, what is the fee called, what is the fee amount and when was it put in place?)

State Appropriations - Capital Reserve Funds

The General Assembly annually appropriates funds from the Capital Reserve Fund (CRF) when such funds are available. When the CRF funds are not required to restore the General Reserve Funds, the monies may be appropriated for capital improvements or other nonrecurring purposes. SECTION 11-11-320. Capital Reserve Fund.

The Funding for University of South Carolina, Columbia Campus, Honors College Facility was approved by the South Carolina General Assembly, 121st Session, 2015-2016, A285, R276, H5002

4. What is the current fund balance of uncommitted funds in the source of funds for A&E pre-design?

The current fund balance is \$5,000,000 from the Capital Reserve Fund.

5. What is the source(s) of funds to be used for construction?

\$5,000,000 of State Capital Reserve Funds and \$13,600,000 of Housing Operating Funds

6. What is your agency/institution's definition of the source(s) of funds to be used for construction? (Please be specific for each if different from those in 3 above. If there is statutory authority authorizing the use of the funds for capital project, please cite the code section and if a source includes a fee, what is the fee called, what is the fee amount and when was it put in place?)

State Appropriations - Capital Reserve Funds

The General Assembly annually appropriates funds from the Capital Reserve Fund (CRF) when such funds are available. When the CRF funds are not required to restore the General Reserve Funds, the monies may be appropriated for capital improvements or other nonrecurring purposes. SECTION 11-11-320. Capital Reserve Fund.

Act 285, R276, H5002 for 2016-2016 allocated \$5M to USC-Columbia for the Honors College Facility. These funds will be used for this project.

Housing Operating Funds are derived from the Housing operating budget which includes housing fees and revenues generated by laundry operations, conferences, and interest.

7. What is the current fund balance of uncommitted funds in each source to be used for construction?

Currently, the total State Appropriations has an uncommitted balance of \$5,000,000. The total Housing Operating Funds from the Department has an uncommitted balance of \$13,600,000 available for use in funding this project.

8. Will the use of any funds for A&E pre-design or for construction require an increase in any student fee or tuition?

No increase in student fees is required.

9. If the use of any funds for A&E pre-design or construction will require any student fee or tuition increase, please explain and include the amount of the fees annually or by semester, what the fee is called and when it was put in place.

The question is not applicable to this project.

10. What is the total square footage of the building to be renovated or constructed?

The total square footage of the Honors College Residence Hall is 192,724. The additional constructed expansion is projected to be 47,275 square feet.

11. If a portion of the building is to be renovated, what is the square footage of the portion that will be included in the renovation?

The existing portion of the building will not be renovated.

12. What program(s) will use the space to be renovated/constructed?

Housing and the Honors College

13. What is the current age of the building to be renovated?

The question is not applicable to this project

14. What is the current age of the building system(s) to be renovated or replaced?

The question is not applicable to this project

15. If any new space is being added to the facility, please provide demand/usage data to support the need.

The additional beds and academic space will respond to enrollment growth in the Honors College. Honors College enrollment has increased by 52% (709 students) since 2010. The freshman class has increased from 338 to 580.

16. If the A&E pre-design request is above 1.5% of the internal estimated cost of the project, what is the reason the amount exceeds 1.5%?

The A/E pre-design request is not above 1.5%.

17. What are the estimated numbers of students, faculty, staff and/or clients that are expected to use the space affected by the project or for the entire building? (Answer for as many as are applicable.)

The expansion will provide 136 new beds and an apartment for a resident faculty member. Academic space will include 4 classrooms for 25-30 students, 1 larger Lecture Room for approximately 75-100 students and 6 faculty offices.

18. Has the project been included in a previous year's CPIP? If so, what was the last year the project was included and for which year, 1-5?

The project is included in Year 1 of the 2017 CPIP. It was listed as priority number 2 of 9.

19. What are the economic impacts of the project, including job creation and retention? If there are none, please explain.

This project will provide economic activity through the construction project itself. Construction creates and/or retains jobs in three ways: 1) it creates direct jobs that are involved in the construction project; 2) it creates indirect jobs through the manufacturing of building materials and systems and the provision of key services in areas like design professions, legal, and accounting services; and 3) it creates induced jobs in other service areas whereby income from the first two categories is spent on goods and services in other areas of the economy. It is estimated that this project will generate 372 jobs.

20. How will your agency/institution address and fund maintenance of this facility construction/renovation?

Maintenance will be funded from the Housing Maintenance Reserve.

21. If your agency/institution has a deferred maintenance account, what is the name of the account and what is its current uncommitted balance?

Housing Maintenance Reserve. At this time, there is no uncommitted balance in the Housing Reserve Fund account after factoring in all planned projects. The Reserve Fund is replenished annually.

22. If how maintenance will be addressed and funded for this facility construction/renovation has not been determined yet, what steps are in place to begin to address how your agency/institution will fund maintenance to this and other agency/institution facilities?

The funding of maintenance is described in the answers to questions 20 and 21.