

COMMISSION FOR HIGHER EDUCATION

Friday, August 14, 2009

DECISION ITEM B-2:

Ivy Tech Community College of Indiana Elkhart, New Construction Project REVISED REQUEST

Staff Recommendation

That the Commission for Higher Education recommend approval to the State Budget Agency and the State Budget Committee of the project *Ivy Tech Community College of Indiana Elkhart, New Construction Project REVISED REQUEST* as described in the project description and staff analysis dated August 14, 2009.

Background

By statute, the Commission for Higher Education must review all projects to construct or purchase buildings or facilities of a cost greater than \$500,000 regardless of the source of funds. A project that has been approved or authorized by the General Assembly is not subject to review by the Commission for Higher Education. However, the Commission for Higher Education shall review a project approved or authorized by the General Assembly if the review is requested by the Budget Agency or the Budget Committee. This project was authorized by the General Assembly and the Budget Agency has requested review.

The Trustees of Ivy Tech Community College of Indiana requested authorization, and the Commission reviewed ITCCI's request, to proceed with a project to develop and purchase a new 70,000 GSF facility in Elkhart. The 2007 General Assembly granted ITCCI \$16,000,000 in fee-replaced bonding authorization to undertake the project. The Commission reviewed this project on August 8, 2008. At that time, ITCCI was under the impression that the project could be completed at a cost of \$14,000,000, utilizing a "build-to-suit" basis with a purchase upon completion by Ivy Tech under an RFP process for professional development services. However, ITCCI was also counting on the city of Elkhart to contribute substantial infrastructure improvements toward the project. Since the 2008 Commission review, the city of Elkhart has announced that it does not have the funds to contribute to the project. The 2009 General Assembly then authorized an additional \$4,000,000 toward the project to cover the infrastructure costs and to add additional space onto the project. ITCCI now requests a revised review of this project at the total cost of \$20,000,000.

Supporting Document

Ivy Tech Community College of Indiana Elkhart, New Construction Project, to be distributed.