**COMMISSION FOR HIGHER EDUCATION**

Friday, May 8, 2009

**DECISION ITEM B-1: Renovation of Sandison Residence Hall at Indiana State University**

**Staff Recommendation** That the Commission for Higher Education recommend approval to the State Budget Agency and the State Budget Committee of the project *Renovation of Sandison Residence Hall*, as described in the project description and staff analysis dated April 29, 2009.

**Background** By statute, the Commission for Higher Education must review all repair and rehabilitation projects, which exceed $1,000,000, regardless of the source of funding. If any state-appropriated funds or mandatory student fees assessed all students are used, the threshold above which Commission review is required is $500,000.

The Trustees of Indiana State University request approval to proceed with the renovation and reconfiguration of Sandison Residence Hall on the Terre Haute campus. Indiana State University is in the process of a systemic renovation of residence hall facilities throughout campus. The renovation of Sandison Hall includes a reconfiguration from the current floor plan to an air conditioned building containing double rooms with private baths and individual heat and air controls. The renovation also includes a fire suppression system with sprinklers and alarms in each room, replacement of roof, heating system, windows and electrical structural repairs. The project also includes ADA compliance and technology infrastructure upgrades. The project will be funded from $1,500,000 in residence hall reserves and $9,500,000 in revenue bonds issued under the Acts of 1965. The bonds will be repaid through Residence Hall Operating Budgets. No state funds or mandatory student fees support the project.

**Supporting Document** *Renovation of Sandison Residence Hall,* April 29, 2009*.*

**RENOVATION OF SANDISON RESIDENCE HALL**

**April 29, 2009**

# Project Description and Staff Analysis[[1]](#footnote-2)

## PROJECT SUMMARY:

The Trustees of Indiana State University request approval to proceed with the renovation and reconfiguration of Sandison Residence Hall on the Terre Haute campus. Indiana State University is in the process of a systemic renovation of residence hall facilities throughout campus. The renovation of Sandison Hall includes a reconfiguration from the current floor plan to an air conditioned building containing double rooms with private baths and individual heat and air controls. The renovation also includes infrastructure upgrades. The project will be funded from $1,500,000 in residence hall reserves and $9,500,000 in revenue bonds issued under the Acts of 1965. The bonds will be repaid through Residence Hall Operating Budgets. No state funds or mandatory student fees support the project.

PROJECT DESCRIPTION:

This project consists of the renovation and reconfiguration of Sandison Hall from the traditional dormitory floor plan to create double rooms with private bathrooms and individual heat and air conditioning controls. This project is part of a systematic upgrading of residence hall facilities to provide living and learning spaces that are attractive to prospective and returning students. Sandison Hall was constructed in 1961 and is located adjacent to Hulman Memorial Student Union. The facility has received only limited upgrades and maintenance since its original construction. The renovation will also include the installation of air conditioning throughout the facility, fire suppression systems with sprinklers and alarms in each room, replacement of roof, heating systems, windows, and electrical structural repairs. The existing elevator shaft will be expanded to accommodate new larger ADA elevators. An energy wheel exhaust system will also be installed along with the technology infrastructure to support LAN and wireless capabilities.

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| **Project Summary:** |  |  |
| Space in Project: | 71,544 GSF | 40,425 ASF |
| Project Cost: | $11,000,000 | $154 per GSF |
| Sources of Funds:  Housing and Dining Reserves  Revenue Bonds (Housing and Dining Operating) |  | $1,500,000  $9,500,000 |
| Expected Increase in Operating Costs: N/A |  | $11,000,000 |

The University anticipates that the projected will be completed in July 2010.

RELATIONSHIP TO MISSION AND LONG-RANGE PLANNING:

This project is a part of a systematic renovation of all residence halls and is consistent with Indiana State University's mission as a four year residential campus.

NEED AND EXPECTED CONTRIBUTION TO EDUCATIONAL SERVICES:

Sandison Hall, constructed in 1961, is located adjacent to Hulman Memorial Student Union. The dormitory has received only limited upgrades and maintenance since original construction. The proposed renovation of Sandison Hall will provide for a reconfiguration of interior space to accommodate double rooms with private baths and individual heat and air conditioning controls in order to meet the needs of students and create an atmosphere conducive to living and learning.

RELATIONSHIP TO LONG-RANGE FACILITY PLANS:

This project is a continuation of the Indiana State University’s desire to provide well-maintained, up-to-date accessible residence hall facilities. Indiana State is in the process of undertaking a long-term campus-wide Land Use Plan for the campus.

#### STAFF ANALYSIS

1. Sandison Hall is part of a systemic renovation of residence halls on the Indiana State University campus. In 1998-99, Indiana State University renovated Hines Residence Hall, and Jones Residence Hall was renovated in 2000-01. In 2005-06, the University renovated Burford residence Hall.
2. ISU is undertaking a comprehensive campus-wide Land Use Plan with Ratio Architects. The Plan is expected to be completed in September of 2009.
3. Sandison Hall, which is located adjacent to the Hulman Student Union in the heart of campus, has been unoccupied since the mid-1990’s. Currently, about 33% of campus enrollment lives in residence halls. While number of students living in residence halls has declined, the percentage of students living in residence halls has remained fairly constant at the University.
4. Indiana State University’s current overall capacity in its residence halls is 3,312 beds with 97% occupancy in the fall of 2008. Following the renovation of Sandison Hall, there will be 240 additional beds available. However, Pickerl Residence Hall with a current capacity of 178 beds will go off-line for renovation or removal.
5. Debt service for the project will be spread across the residence hall system. For 2008-09, the room and board rate for the Indiana State University residence hall system range from $6,972 to $7,228. For 2009-10, the room and board rate is expected to increase by 7.0%.
6. In FY 09, the Housing and Dining accounts at Indiana State University expect operating revenues of approximately $21.3M and operating expenditures of $19.1M. The reserves in the accounts at the end of FY 09 are expected to be approximately $20M. ISU is spending only $1.5M of reserves on this project and bonding the remaining $9.5M. At the same time, ISU is raising room and board rates by 7.0% in the 2009-10 school year. ISU reports that other projects are planned from the reserve fund and that ISU is undertaking a comprehensive Land Use Plan and wishes to keep a healthy reserve until the plan is complete.

1. The Staff Analysis is a Commission staff work product. Most other portions of this document are extracted from documents authored by the institution, with occasional editing to conform to agenda presentation style. [↑](#footnote-ref-2)