

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Facilities Committee
March 23, 2021**

SUBJECT: Florida Agricultural and Mechanical University Update Regarding Capital Projects and Housing System Deferred Maintenance

PROPOSED COMMITTEE ACTION

For information.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Capital Projects

FAMU's recently completed capital projects, as well as some currently underway, include the following:

- Center for Access and Student Success (CASS) – 73,000 sq. ft., 3-story facility located near the center of campus. Completed in January 2021, the \$41 M PECO-funded project houses the Registrar, administration, financial aid, student services and career/professional development.
- Residence Hall and Dining Facility – new construction, 700-bed, 182,000 sq. ft. housing facility and 10,000 sq. ft. dining hall, \$70 M combined budget, and debt financed. Housing was completed/available for Fall 2020 semester. Dining facility is nearly complete.

Housing System deferred maintenance

In September 2018, the Board authorized the issuance of debt, on behalf of FAMU, in the amount of \$125 M to refinance all the University's existing housing bonds and finance construction of their new 700-bed dormitory and adjacent dining hall, completed August 2020 and March 2021, respectively. The Loan's favorable terms resulted in increased housing system cash flow, allowing FAMU to start addressing significant deferred maintenance (existing and projected) estimated at over \$21 million. In light of this, the Board's resolution stipulated several conditions:

- a) required the University to annually report progress in addressing items reflected in the Housing System Deferred Maintenance plan;
- b) prohibited the transfer of moneys from the housing system (except for reasonable

share of general University overhead) until all existing Housing System Deferred Maintenance has been addressed; and

c) prohibited requests of additional housing system or approval of housing-related public private partnership arrangements until 1) completion of the Project, and 2) a Facility Condition Assessment is performed indicating the University is making substantial progress in addressing Housing Deferred Maintenance.

Supporting Documentation Included:

PowerPoint Presentation

Facilitators/Presenters:

Dr. Alan Robertson, FAMU V.P
for Finance & Admin. / CFO