

Capital Project for Planning for Athletic Facilities Improvements

JOINT FINANCE AND AUDIT COMMITTEE AND BUILDINGS AND GROUNDS COMMITTEE

October 12, 2015

In March 2015, the Board of Visitors approved a \$500,000 planning authorization for the Women's Softball and Track and Field Facility Improvements project. The scope of the planning authorization included a master plan for high priority Athletics facility improvements. The resulting master plan identified four key facility areas within Athletics that need improvements:

- The Rector Field House improvements would provide a larger, safer area for weight throws and shot put and an expansion for a new softball hitting facility to meet Athletics' continuing efforts to be Title IX compliant;
- A Cassell Coliseum renovation would improve the fan experience and provide additional seating options;
- To remain competitive with other ACC facilities, the Tennis facilities would be renovated to include expanded locker rooms, team lounges, medical training support, and fan viewing areas; and
- To remain competitive for hosting NCAA regionals, the Baseball facility will be renovated to support the increased demand for TV broadcast capability, radio broadcast capability, and fan support services.

The Athletics program and the university are working together on a financing package to support the identified four facility improvements. At this time, the university is requesting a \$3 million supplement to the existing \$500,000 planning authorization for an adjusted planning authorization of \$3.5 million. The scope of the adjusted planning project includes construction designs for the four sub-projects with a design-to total project budget of \$31 million.

As with all self-supporting projects, the university has developed a financing plan to support the planning project. The funding plan for the \$3 million supplement calls for a loan of cash from the Athletics auxiliary reserves. Depending on the final financing package for the entire project, the loan may be temporary and repaid over time, reimbursed with a future debt issuance, or made permanent. The auxiliary reserves is sufficient to cover the proposed planning project costs.

Under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has the authority to approve the budget, size, scope, and overall funding of nongeneral fund capital outlay projects. This request is for a \$3 million supplement to the existing \$500,000 planning authorization for a \$3.5 million adjusted planning authorization for athletics facilities improvements. A subsequent request for construction funding may be submitted after designs are underway and a firm scope and cost are determined.

**RESOLUTION ON CAPITAL PROJECT FOR
PLANNING FOR ATHLETICS FACILITIES IMPROVEMENTS**

WHEREAS, the Board of Visitors approved a \$500,000 planning authorization for the Women's Softball and Track and Field Facility Improvements project in March 2015; and,

WHEREAS, part of the planning authorization involved a master plan for high priority Athletics facility improvements; and,

WHEREAS, the resulting master plan identified four key areas within Athletics that need improvements: Rector Field House, Cassell Coliseum, Men's and Women's Tennis, and Baseball facilities; and,

WHEREAS, a \$3 million supplement to the existing \$500,000 planning authorization would complete designs for the four areas with a design-to total project budget of \$31 million; and,

WHEREAS, the university has developed a 100 percent nongeneral fund resource plan for the planning project that can support the \$3 million supplement; and,

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has authority to approve the budget, size, scope, debt issuance, and overall funding of nongeneral funded major capital outlay projects; and,

NOW, THEREFORE, BE IT RESOLVED, that the university be authorized to move forward with a \$3 million supplement authorization to the existing \$500,000 authorization for an adjusted \$3.5 million authorization to complete designs for all four sub-projects of the Athletics Facilities Improvements project.

RECOMMENDATION:

That the resolution authorizing Virginia Tech to complete designs for Athletics Facilities Improvement project be approved.

November 9, 2015