



Virginia Department of Planning and Budget
Project Request Justification

2008-2010

Biennium

Date: August 16, 2007

A. General Information

1. **Agency Name:** Virginia Tech 2. **Agency Code:** 208
3. **Project Title:** Academic and Student Affairs Building 4. **Agency Priority:** 12
5. **Name of Person to Contact about this Form:** Robert R. Broyden
6. **Contact Person's Telephone Number:** (540) 231-8782
7. **Contact Person's E-mail Address:** rbroyden@vt.edu
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B. Proposed Project

1. **Description (include project size, capacity, and purpose):**

This project has been on the University's plan since 2005 and is included in the first biennium as a high priority to provide instructional space, dining services, and student union services on the north side of campus. The proposed project is envisioned as a 91,200 gross square foot, five story building. The building plan includes two floors of instructional space, two floors of dining service space, and one floor of student union space. The two lower floors will be dining services, the third floor will be student union space, and the top two floors will be instructional space.

The program includes Educational and General instructional space to support graduate education and auxiliary enterprise space for dining services and student unions. The occupancy plan includes two floors for instructional areas and three floors for auxiliary enterprises.

The project total cost is \$42.25 million and the funding plan calls for \$8.45 million of General Fund support and \$33.8 million of nongeneral fund support. The auxiliary enterprises are bearing the entire site and foundation costs, and the University is requesting the state to cover only the marginal costs of adding two floors for the instructional program. The nongeneral fund component is requested as a revenue bond authorization that will be repaid by revenue generated from the dining program operations and student fees related to the university unions and student activities.

The University's Board of Visitors approved this project as an item on the 2008-2014 Capital Plan. To expedite the project and avoid about a year of inflation, the University intends to initiate planning under restructuring as a 100 percent nongeneral fund activity. The benefit of this strategy is saving about 12 months of inflation, estimated at \$800,000. The University may move forward with this time and cost saving strategy at some risk of no future General Fund support. If General Fund support is approved for the project, the planning may convert to the state funded project and the construction will be managed as a state activity. If General Fund support is not approved for the project, the University may

move forward with only the auxiliary enterprise components; the instructional program support may be deferred.

2. In approved Master Site Plan: Yes No
If not, explain:

3. In current Strategic Plan: Yes No
If not, explain:

C. Project Justification

1. Programmatic:

The University is seeking to provide undergraduate and graduate students a convenient facility that will provide an array of needed spaces and services to a broad cross section of students. The instructional space will provide needed class and seminar space during the class day, which will double as student activity space, tutorial space, and student group-work space after hours. Several university offices that serve students, for example, Services to Students with Disabilities, likely will be housed in the facility where students can gain easy access throughout the class day. The opportunity to share space with student auxiliary services will be an innovation for Virginia Tech as it works to meet student expectations.

The dining and student unions' spaces are auxiliary enterprises. These programs are essential from the student perspective, particularly for undergraduates. The dining space will include multiple, modern food service venues. The student union space will include study and lounge areas, student meeting rooms, and student organization and group spaces that are in high demand on the academic core of campus.

As noted earlier, an upper floor will also house the Services to Students with Disabilities suite, ideally located in this facility to coordinate services for academic programs in the surrounding academic campus core. Services to Students with Disabilities requires relocation from its current location in Henderson Hall, which will undergo renovation in 2007 as part of a 2002 General Obligation Bond Program project.

2. Existing facilities:

Overall, the University does not have adequate support space for students seeking individual and group work space and group seminar space. The new problem-based curricula requirements for students to work in teams to research and develop cross-disciplinary solutions have all evolved since virtually all of the academic space has been constructed on the Virginia Tech campus. These informal work areas simply are not available in sufficient quantities on the University campus. The lack of this type of space is becoming a point of dissatisfaction among students and a recruitment deterrent. This project will include instructional space to address the most pressing of these student expectations.

The north side of campus includes outdated dining and limited student unions' space. The existing dining facility, Shultz Hall (1962), is obsolete for dining service and its structure prohibits adequate renovations to meet student expectations. Shultz Hall will be abandoned by the dining program and turned over to the academic program for conversion to a fitting instruction program, the Cyber Arts and Creative Technologies Laboratory. The existing student union facility, G. Burke Johnston (1990), is overcrowded and can not meet student demand for study, group meeting, and student organization space. This project will address a significant level of the need for these auxiliary enterprise services.

D. Options Considered (include as an option delaying this project until future biennia)

Other options considered but not selected include leasing facilities, renovating existing facilities, or delaying the project entirely. New construction is the selected option because it is the most effective solution to the shortage of instructional, dining, and student union space on the north side of campus. Lease property is not available in the area of campus needed for the services and no facilities are available for renovation. Delaying the project to a future biennium is not a viable option because without adequate, modern instruction and student services space, the University can not meet the demands and expectations of current or prospective students.

E. Project Scope Changes:

None.

F. Project Cost Changes:

Instructions for DPB Form CNJ Project Request Justification

This form is to be prepared only for projects authorized for detailed budget development during the 2008-2010 biennium.

The project request justification (DPB Form CNJ) details the project's scope and justifies its need. The need must be demonstrated from several perspectives, including the agency's programs and activities and the condition of the existing facilities, in order to show why it is important to fund your request. The narrative should be as thorough and complete as necessary. The quality of your submission is extremely important. Remember who your audience is for this submission and **do not** use technical engineering terms and jargon. Decision-makers may only have your narrative as the basis for considering the merits of your request.

The justification for additional funding due to anticipated cost overruns on a currently approved and funded project must include the scope adjustments (i.e., reduction in scope) that would be needed to finish the project with existing funding.

Section A. General Information

- Item 1. **Agency Name.** Enter your agency's name.
- Item 2. **Agency Code.** Enter the three-digit agency code for your agency.
- Item 3. **Project Title.** Give the new project a clear descriptive title.
- Item 4. **Agency Priority.** Number from the DPB Form H-1.
- Item 5. **Name of Person to Contact about this Form.** Enter the name of the person to contact who can answer specific questions concerning the information provided on this form.
- Item 6. **Contact Person's Telephone Number.** Enter the telephone number of the contact person.
- Item 7. **Contact Person's E-mail Address.** Enter the e-mail address of the contact person.

Section B. Proposed Project

Item 1. Description. The project description should be of sufficient detail to clearly define the scope of the project. This description should address the project's size and capacity. It should also describe how the project would meet specific needs. Below is some of the information that should be presented in this section, as applicable:

- The scope of the project, including type of space proposed, the square footage, and any unique or unusual features.
- Life expectancy of the new facility.
- Methods or sources used to determine the proposed scope.

Item 2. In approved Master Site Plan. An explanation should be provided if not in master site plan.

Item 3. In current Strategic Plan. An explanation should be provided if not in the current strategic plan

Section C. Project justification

Item 1. Programmatic information. The justification for a project is based on how it supports your agency's strategic plan. Specifically, this section should address the following:

- Description of the current use of the facility(ies).
- Description of the relevant programmatic activities, both current and projected, that would be affected by the project. Indicate any services, operations, or activities that will be initiated, expanded, or improved because of this project.
- How the project will support your agency's mission and your current and planned program goals and objectives. How does the proposed project relate to the agency's strategic plan?
- The necessity of the project in terms of objectives, services, and customers. Be sure to indicate the number and type of clients or staff who will benefit from the proposed project. Provide numerical estimates of current and future users of the facility using quantitative data such as number of positions (FTE), average prisoner days, or full-time equivalent students. Highlight any population characteristics important to the project. Indicate and discuss projection methodologies used.
- Address whether the project is required to continue current services, to handle a workload increase, or to provide for new or better quality services.
- For institutions of higher education, be sure to include a summary of the impact of student fee increases

Item 2. Existing Facility(ies). To determine the need for a project, you must describe your present facilities. Include in this description information on the adequacy of existing facilities to meet current and projected program demands. To support the need, provide the following information, as appropriate:

- Why the existing facility is inappropriate or inadequate, such as overcrowding or the need to accommodate new programs.
- Age and condition of current facility, analysis of man-hours and expenses invested annually in repairs, interruptions of services or backlogs of services, safety hazards to customers, and health and safety code violations. (Specify which code edition.) Indicate if the request is a result of legislative (federal or state) or judicial mandate or from standards or certification requirements. Be as specific as possible. Use quantitative measures when available and applicable to demonstrate why the capital project is needed.
- Interim accommodations being used to compensate for facility deficiencies or the lack of facilities, including currently leased space.
- Information on the future use of the existing facility(ies) that could impact upon the proposed capital project, such as any future expansion or conversion of the facility.

- How the proposed project fits into the approved Master Site Plan for your agency.

Section D. Options Considered

This section should identify and discuss any alternatives to the proposed project that were considered and the rationale for selecting the requested project. Provide the estimated cost for each of the alternatives considered. **One option that must be addressed is the impact of deferring the project until a future biennium.**

Section E. Project Scope Changes

This section should identify and explain any differences between the scope on the DPB Form C-1_S-1 in this submission and those provided on the previously submitted DPB Form H-1.

Section F. Project Cost Changes

This section should identify and explain any differences between the cost estimates on the DPB Form C-1_S-1 in this submission and those provided on the previously submitted DPB Form H-1.