



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:** Renovate Ambler Johnston Hall 4. **Agency Priority:** 17
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, formerly titled Improve Residence and Dining Halls. The University's facility inventory includes 44 residence halls. In order to ensure this substantial facilities asset remains up-to-date, the University has developed a long-range improvements strategy with the help of a consultant that minimizes service disruption and minimizes the financial impact to the students.

This facilities initiative is an on-going, long-range improvements strategy that addresses programmatic and facilities deficiencies with a steady funding stream. This strategy will keep the housing and dining system facilities safe, clean, and up-to-date with modern service practices and student expectations.

The top priority item of the initiative is the upfit of Ambler Johnson Hall. This facility was built in 1969, includes 272,019 gross square feet, houses 1,288 students, and has a replacement cost estimated at \$88,300,000. The exterior Hokie stone structure on the 36 year old building is sound; however, the mechanical systems, bathrooms, lounges, and electrical systems are all in need of repair or replacement. This building currently does not meet the needs of today's students. The mechanical systems are beyond repair and the building is not air conditioned.

This project will modernize the entire building and address all deferred maintenance. The renovation program includes additional hall lounges, community meeting rooms, and study rooms; refurbishing and expanding bathroom facilities to reach a ratio of about 35 residents per shared bath; updating residential rooms, consolidating multiple building entries to provide controlled access and centralized resident services; replacing the mechanical systems including the HVAC system with air conditioning, and upgrading electrical wiring, elevators, and lighting systems.

Ambler Johnston Hall supports the residence auxiliary enterprise and the funding plan calls for 100 percent nongeneral fund support. The funding plan to cover the estimated \$65 million costs is debt to be repaid with residential user fee revenue consistent with the University's six-year financial plan.

The University's Board of Visitors approved the University's list of capital projects for the 2008-2014 Capital Plan on March 26, 2007, including this \$65 million nongeneral fund project to renovate Ambler Johnston Hall. In accordance with the Management Agreement between Virginia Polytechnic Institute and State University and the Commonwealth of Virginia, enacted by the General Assembly and contained in Chapters 933 and 943 of the 2006 Acts of Assembly, the University intends to move forward with this project as a 100 percent nongeneral fund activity.

The University is requesting authorization to participate in a state pooled debt program to finance the project because the prevailing cost of capital is favorable compared to university issued debt. The benefit of the lower cost of capital will accrue to the students and residential program.

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 Student Programs mission is to provide services, staffing, and programs that support the educational programs of Virginia Tech and enhance the quality of campus life. The Housing division is responsible for promoting the personal and academic success of the 8,900 residents in the University's 44 residential halls. Through services, programs, and activities, staff members offer a positive educational and physical environment within the residential communities for graduate and undergraduate students and the facilities provide a safe, clean, attractive, and inviting place that supports the program. Housing program examples include the Corps of Cadets, scholarship athletes, Honors Program, Summer Transition Program, the WELL, and First Year Experience.

Safe, high quality, modern facilities are needed to support the program operations and to meet the service and living environment expectations of a contemporary student. Attracting high quality students in higher education is competitive, and the Housing program is often a deciding factor for students because of its link to quality of life and academic support. Parents and students expect on-campus housing to keep pace with safety, technology, and convenience improvements. A program that does not keep pace will lose students to peer institutions, possibly in other states.

The overall instructional mission of Virginia Tech is the "education of the whole person." This goal recognizes that a significant and important part of student education happens outside of the classroom. The co-curricular opportunities for learning happen within residence halls, student union buildings, campus recreation and intramurals, campus organizations, and campus leadership opportunities. A student learns many things through

being part of a residence hall community. They learn conflict resolution by living daily in a room with another person and having to communicate their needs, and respond to the other person's perceptions and needs. They learn responsibility by sharing a room and having to consider the other person's rights as an equal in that shared room. They learn to communicate with one another, and learn what positive methods of communication are and what unproductive methods are. Students learn to live with different people and come to appreciate differences in culture, race, and ethnicity. There is continual intentional programming in residence halls by student development educators that address a wide range of topics from relationship problems to study skills. This learning is part of the residence hall experience and different from living in an apartment. Studies have shown that students that live on campus are more involved in the other areas of learning on campus. It is clear that a key to co-curricular learning is to attract and retain students on campus. This is accomplished through offering modern and up to date residence halls.

2. Existing facilities:

The residential hall system includes 44 residence halls that cover 2,000,000 gross square feet with an average age of 34 years. The inventory includes a mix of modern facilities (only five residence halls, housing 900 students) and outdated facilities (housing 8,000 students). Students avoid the outdated facilities in favor of the modern facilities. In the case of the residential program, this results in more requests for the modern residence halls than can be met. The students who are not selected for the newer residence halls are generally less satisfied with the remaining on-campus housing options because the rooms are commonly smaller, are without air conditioning, are fitted with gang showers and toilets (instead of suite arrangements), have less available study space, and have less power and telecommunications infrastructure. The outcome is an imbalance in the delivery of services that results in unsatisfied customers.

The existing buildings are engineered and constructed to last at least 80 years and with proper maintenance may last longer. The programmatic and utilities infrastructure are generally outdated within 20 years and some elements may become outdated in 5 or 10 years. When the programmatic elements of a facility become outdated, the students become dissatisfied with the level of service and then underutilize the operations of the building or consider the outdated program as a reason not to select the University as a place for their higher education study. Outdated residential halls have a significant negative impact on the quality of student life on campus, a student's overall evaluation of the University, and the program operations.

Currently, of the 8,922 beds available on campus only 10 percent (900 beds) are in air-conditioned space. Residential space that is not air-conditioned is unsatisfactory to the students and is a distraction in the learning process. A student's living environment is a critical component of university life at a comprehensive institution, and therefore, the accommodations should be conducive to learning.

Ambler Johnston has received few improvements since original construction - the hall is not air-conditioned and lacks required ventilation. Building electrical, HVAC, plumbing and controls systems are well past their useful lives and are operating by means of stopgap repairs. Extensive accessibility improvements and provisions are required, including means to negotiate differing floor heights between the two wings, and bathrooms with wide spread ADA deficiencies. Multiple existing entries make security monitoring problematic. Finishes are worn out and many furnishings require replacement. Social gathering, lounge and study

space is inadequate or not provided within hall communities. The building does not meet student expectations.

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

The options considered include replacement or deferring the project to a future time. Replacement of the project is not a selected option because the estimated costs to raze the current building and rebuild are significantly higher than renovation, about \$33 million more for the same accommodations. Deferring the project is not selected because the level of student dissatisfaction with Ambler Johnston Hall is reaching a critical point.

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.