

**RB24**  
**Towson University – Capital**  
**University System of Maryland**

***Capital Budget Summary***

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**State-owned Capital Improvement Program**  
(\$ in Millions)

<b>Projects</b>	<b>Prior Auth.</b>	<b>2023 Request</b>	<b>2024 Est.</b>	<b>2025 Est.</b>	<b>2026 Est.</b>	<b>2027 Est.</b>	<b>Beyond CIP</b>
New College of Health Professions Building	\$62.387	\$88.967	\$33.305	\$0.000	\$0.000	\$0.000	\$0.000
Smith Hall Renovation	0.000	6.066	2.970	61.162	62.833	0.000	0.000
<b>Total</b>	<b>\$62.387</b>	<b>\$95.033</b>	<b>\$36.275</b>	<b>\$61.162</b>	<b>\$62.833</b>	<b>\$0.000</b>	<b>\$0.000</b>

<b>Fund Source</b>	<b>Prior Auth.</b>	<b>2023 Request</b>	<b>2024 Est.</b>	<b>2025 Est.</b>	<b>2026 Est.</b>	<b>2027 Est.</b>	<b>Beyond CIP</b>
GO Bonds	\$11.703	\$94.761	36.275	\$61.162	\$62.833	\$0.000	\$0.000
PAYGO GF	50.684	0.000	0.000	0.000	0.000	0.000	0.000
Non-budgeted Funds	0.000	0.272	0.000	0.000	0.000	0.000	0.000
<b>Total</b>	<b>\$62.387</b>	<b>\$95.033</b>	<b>\$36.275</b>	<b>\$61.162</b>	<b>\$62.833</b>	<b>\$0.000</b>	<b>\$0.000</b>

CIP: Capital Improvement Program

GF: general funds

GO: general obligation

PAYGO: pay-as-you-go

## ***GO Bond Recommended Actions***

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1. Approve \$88,700,000 in general obligation bond funding to continue constructing the New College of Health Professions building.
2. Approve \$6,100,000 in general obligation funding to begin design of the renovations of Smith Hall.
3. Approve the preauthorization of \$27,955,000 in general obligation bond funding in fiscal 2024 to provide the funds necessary to bid and award construction contracts.

## ***Summary of Fiscal 2023 Funded State-owned Projects***

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### **New College of Health Professions Building**

This project will construct a new College of Health Professions building to accommodate the departments of health science, nursing, occupational therapy and science, speech-language pathology and audiology, kinesiology, and the dean’s office. These programs are geographically dispersed throughout campus, limiting opportunities for collaboration and interaction among faculty, staff, and students. This facility will also address the lack of space to support current and future enrollment growth.

The fiscal 2023 budget provides \$88.7 million to continue construction of the facility, which is \$13.2 million higher than the amount programmed in the 2021 *Capital Improvement Program* (CIP). This reflects the shifting of \$3.6 million from fiscal 2023 to 2024 based on the cash flow needs of the project. Furthermore, the total cost of the project increased by \$10.0 million to \$184.7 million due to an increase in the escalation rate applied to the estimates for construction-related expenses. The 2022 CIP includes \$0.3 million of nonbudgeted funds in fiscal 2023 for a café. The budget also includes a preauthorization of \$28.0 million for fiscal 2024, allowing for bidding and awarding of the construction contract.

### **Smith Hall Renovation**

This project will renovate Smith Hall allowing for the consolidation of three departments (departments of mass communications, communication studies, and electronic media and film) within the College of Fine Arts and Communications, which are currently dispersed across campus. These programs are housed in buildings with space that does not meet current standards or support teaching pedagogies. In addition, space in Smith Hall will be provided for the Teaching and Learning Center, which will have instructional, study, and office space that will help reduce some campus space shortages.

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The renovation will adaptively reuse an existing facility located in the middle of campus that would be largely unusable without the renovation. The occupants of Smith Hall relocated to the new science building in January 2021. Most of the vacated space in the building (about 60%) is obsolete science laboratories that will be decommissioned if not renovated. A recent analysis confirmed that a complete renovation of the building was the best option for it would cost less, take less time to design and construct; provides the highest square footage, meets programmatic objectives, and would not negatively impact on the Glen Arboretum.

Smith Hall was constructed in two phases in 1964 and 1976. The portion built in 1964 does not have a fire suppression system. Throughout the facility, there are code deficiencies related to accessibility, elevators, mechanical, plumbing, and electrical systems. Deterioration of the roof has resulted in extensive leaking and growth of mold and mildew affecting indoor air quality. The antiquated and inadequate building and infrastructure and utility systems have resulted in significant expenditures to keep the building functioning at a basic level. The current deferred maintenance backlog for Smith Hall totals \$8.7 million

The fiscal 2023 capital budget provides \$6.1 million in general obligation bond funds, which is \$2.2 million more than programmed in the 2021 CIP due to accelerating the start of design from October to July 2022. Overall, the estimated total cost of the project (\$133.0 million) is \$5.3 million higher than originally programed due to an increase in the escalation rate applied to the estimates for construction-related expenses.

## ***Operating Budget Impact Statement***

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### **Executive’s Operating Budget Impact Statement – State-owned Projects**

**Fiscal 2023-2027**

**(\$ in Millions)**

	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>
<b>New College of Health Professions</b>					
Estimated Operating Cost	<b>\$0.000</b>	<b>\$0.826</b>	<b>\$2.692</b>	<b>\$2.735</b>	<b>\$2.778</b>
Estimated Staffing	0.0	4.0	4.0	4.0	4.0

The estimated operating cost for the New College of Health Professions of \$0.8 million in fiscal 2024 reflects the expenses of opening a new facility during the year, and the increase in fiscal 2025 reflects full year cost of operating the facility, which includes maintenance, personnel, equipment debt service, communications, supplies, and fuel and utilities.