

Contact: Joan Racki

REGISTER OF UNIVERSITY OF NORTHERN IOWA
CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS

Action Requested: Consider approval of the following actions for the **Redeker Center Expansion** project, a major capital project as defined by Board policy.

1. Acknowledge receipt of the University's initial submission of information to address the Board's capital project evaluation criteria (see Attachment A.);
2. Accept the Board Office recommendation that the project meets the necessary criteria for Board consideration; and
3. Authorize permission to proceed with project planning, including the design professional selection process.

Executive Summary: The University requests permission to proceed with project planning for the **Redeker Center Expansion** project, which would expand an existing convenience store, add seating to the dining facility, expand production in the central bakery/commissary, and provide additional office support space by constructing an addition to the south end and infilling of the northeast and west corners of Redeker Center. The University envisions the project being completed in two phases, with the first phase adding space to the convenience store with a modest increase in seating capacity in the dining area. The second phase would provide additional seating in the dining area, expand the bakery/commissary, and provide additional office support space. The total project estimated cost is \$5 million, of which \$950,000 is the estimated cost of Phase 1. The project would be financed by residence system funds or dormitory system revenue bonds. (A map showing the location of Redeker Center is included as Attachment B.)

Details of Project:

Redeker Center Expansion

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		Oct. 2011	Requested
Initial Review and Consideration of Capital Project Evaluation Criteria		Oct. 2011	Receive Report

The study for Panther Village (Apartment Housing) included the need for a convenience store. During design of Panther Village, it was determined that a more efficient long-term operating model would be to enlarge the existing convenience store in the Redeker Center, which is adjacent to Panther Village.

With the addition of 450 beds in Panther Village, there is an anticipated demand for additional meal plans from these residents. The dining area in Redeker is already operating beyond design capacity as a result of renewed demand for students to live on campus.

Redeker Center Expansion
Evaluation Criteria

Since the project meets the Board's definition of a major capital project, the University has provided the following information in response to the Board's evaluation criteria.

1. How does this project help fulfill the institution's mission and strategic plan?

Part of the University's strategic plan includes increasing graduation rates. Students who live on campus are more likely to graduate compared to their counterparts who reside off-campus. To attract more students to stay on campus and to diversify room inventory types, the University is constructing Panther Village apartments. The study for Panther Village included the need for a convenience store. During design of Panther Village, it was determined a more efficient long-term operating model would be to enlarge the existing convenience store in Redeker Center, which is adjacent to Panther Village. The convenience store expansion will eliminate the need for additional staffing while providing enhanced services. A convenience store was not included in Panther Village with the intention of enlarging the convenience store in the Redeker Center.

With the addition of 450 beds in Panther Village, there is an anticipated demand for additional meal plans from these residents. The dining area in Redeker is already operating beyond design capacity as there is a renewed demand for students to live on campus. With the additional meal plans from Panther Village, the dining area will be in the untenable position of insufficient seating for students wanting meals.

The bakery / commissary is over capacity due to more students eating on campus. Expanding the central production area will support the increasing demands for all the dining areas on campus. Finally, a modest addition of office space will support growing needs for technology staff.

The primary focus of Phase 1 will be to add space to the convenience store, and the secondary benefit will be a modest increase in seating capacity in the dining area on the second floor.

2. What other alternatives were explored to meet the needs identified in number 1 above?

Include a convenience store in Panther Village.

Decline to sell meal plans to residents living in Panther Village.

Neither alternative was determined to be as desirable as the proposed expansion to Redeker Center.

- 3. When this project is completed, what facilities and total square footage will be abandoned, transferred, or demolished and how does this compare to the new or renovated square footage?**

Total project adds approximately 18,400 GSF. Anticipated net-to-gross is 73% (13,432 NSF – 18,400 GSF). Skywalks will be shortened approximately 653 GSF.

Phase 1 of the project will add 1,600 GSF on two levels. A skywalk will be shortened by approximately 176 GSF.

- 4. What financial resources are available to build/remodel renovate the proposed capital project?**

Residence System Funds or Residence Revenue Bonds.

- 5. What resources are available to operate and maintain the proposed capital project without compromising current programs and operations?**

Additional sales from the convenience store and additional meal plans.

- 6. Identification of any compelling external forces that justify approval of this capital project.**

None

REDEKER CENTER

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