

SB 92-202 Cash-Funded Capital Construction Request

Colorado School of Mines

West Campus Parking Garage (202 Project)

PROGRAM PLAN STATUS

2007-134

Approved Program Plan?

Date Approved:

PROJECT REQUEST AND COST ITEMIZATION INFORMATION

Fund Source	FY 2009-10 Request	Cost Item	FY 2009-10 Request
CF	\$10,454,387	Professional Services	\$1,103,121
		Construction	\$8,753,438
		Equipment	\$100,000
		Contingency	\$497,828
Total	\$10,454,387	Total	\$10,454,387

SUMMARY

The Colorado School of Mines (Mines) is requesting cash funds spending authority to construct a five-story, 133,000-GSF, 400-space parking garage on the northwest corner of campus to address its projected growth needs. The garage will serve the core academic campus and campus recreation center, including the adjacent football stadium and basketball field house. The project will also improve roads to, roads serving, and drainage in and around the proposed West Campus Garage.

The garage will be constructed on the site of the Earth Mechanics Institute drilling lab and hazardous materials storage shed, which will be decommissioned and relocated prior to construction. The building site is north of the intersection of Elm Street and West Campus Road. The building will be constructed on a very steep grade and will allow vehicular and pedestrian access at both the first and fifth level.

Mines says a lack of adequate on-campus parking is an increasing concern, and there are ongoing parking shortages during the peak class hours of 10 a.m. to 2 p.m. According to Mines, there is little available parking for campus visitors and commuter students, which leads to overflow parking in nearby residential neighborhoods. Mines says the construction of a new parking garage will alleviate parking shortages and reduce vehicular traffic on campus streets and increase campus pedestrian safety.

In 2005 and 2008, Mines hired an independent consulting firm to conduct a campus parking study. In 2005, the consulting firm concluded that Mines was operating at or slightly above capacity. In 2008, the consulting firm updated its study and discovered a parking deficit of 281 spaces. Furthermore, the updated study concluded that based on projections of future enrollment growth and campus master planning needs this deficit may increase to 1,765 spaces. Mines says the West Campus Parking Garage request is the first of three multi-level parking structures that it plans to build to address future campus parking needs.

The proposed West Campus Garage project will address future campus expansion needs. The Mines Campus Master Plan proposes significant expansion over the next several years, leading to decreased availability of surface parking spaces and increased parking demand. The following proposals are included in the Mines Campus Master Plan and will impact future parking needs:

- Eliminate CTLM parking lot for new classroom building and green space (loss of 180 spaces);
- Eliminate lots A, B, and E for a new student housing project (loss of 320 spaces);
- Connect 13th Street and Elm Street (loss of 41 spaces); and
- Eliminate / redistribute on-street parking to improve traffic flow and pedestrian safety (loss of 541 spaces).

Attachment A is a map of the Mines campus showing all available parking.

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Project alternative. Mines says an alternative to the proposed West Parking Garage is to build more surface parking lots. However, Mines says all available vacant property is already in use for surface parking so to implement this alternative would require the demolition of existing buildings, the reversion of open space to parking, and/or the acquisition of new property.

This is a Senate Bill 92-202 request, meaning the project will be designed, constructed, operated, and maintained with non-state money.

FUNDING SOURCE

The source of cash funds for the project is a revenue bond serviced from student parking fees. The anticipated annual payment is \$708,372. Mines says that the garage will be reserved mostly for student parking because it will be funded primarily with student parking permit fees.

Below is a list of the current parking permit types and prices at Mines. The list also details a planned increase in parking permit costs.

- General Parking Permit (faculty and staff): free on-campus street parking;
- Assigned Reserve Permit (faculty and staff): \$195 (current) / \$295 (projected);
- Unassigned Reserve Permit (faculty and staff): \$125 (current) / \$149 (projected); and
- Student Parking Permit: \$100.00 (\$50/semester) (current) / \$146.00 (\$73/semester) (projected).

The student parking permit is assessed as a fee at the time of enrollment; however, students may sign a waiver and opt out of the parking fee if they do not have a car on campus.

STAFF QUESTIONS AND ISSUES

1. The CC-C narrative form (Page 2) lists a prior expenditure of \$79,500. Please explain how these funds were spent.

\$79,500 in parking fee funds were spent on the program plan in FY 2008-09.

2. Will the project also relocate the parking office and public safety facility? If so, please provide further details of the function of these offices and where they will be located in the new facility.

The public safety and parking offices are now located in a two converted homes owned by Mines. They will be relocated and incorporated into the structure at the Elm St. entrance on the 5th level of the CSM West Campus Parking Garage. The public safety office serves as the headquarters for the Mines Police Department. The parking office is administered by the Police Department and provides service for issuance of parking permits, processing parking violation appeals, and collection of parking fines.

3. How will the West Campus Parking Garage be accessed? Will both points of access (first and fifth floor) be from the same street?

The garage is accessed from the south on Elm St. at the 5th level and from the north on Maple St. at the 1st level.

4. Since the requested project includes some roadwork in the vicinity, has Mines considered completing the connection of Elm Street and 13th Street as part of this project?

Originally, Mines agreed with the City of Golden to connect Maple St. to Elm St. via an extension of 14th St. This extension was determined to be cost prohibitive and would divide Mines property in a manner not suited to future development. The proposed site takes better advantage of existing topographical conditions, allows for future expansion, and places the garage in a better location for future development. As a consequence, we have revised our plan and now will make the connection with existing West Campus Drive but, will improve the alignment of the road and solve a drainage problem that causes unsafe icing of the road in the winter. The City of Golden has

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agreed to this revision.

5. Please provide additional information about the revenue parking bond, including the anticipated annual interest rate, the anticipated length of the issuance, and when Mines plans to go to market to sell the revenue bonds.

If Mines were to engage in a "traditional" tax exempt bond issue, we anticipate an interest rate of 5 percent for 30 years to be sold sometime the fall of 2009. We are looking at other options, however. With the federal stimulus activities, we have available to us the opportunity to utilize Build America Bonds as well as America Recovery Zone bonds. Pursuant to the respective debt vehicles, we would be able to issue Build America Bonds "ourselves" but the America Recovery Zone bonds, if issued, will be issued by the Colorado Department of Higher Education along with other higher education projects. The CDHE is looking to coordinate an issue of America Recovery Zone bonds in the Fall of 2009.

Both Build America bonds and Recovery Zone bonds are taxable bonds that pay taxable market interest rates, which are higher than tax-exempt rates. The advantage of these bonds is that they both carry a federal subsidy to the issuer; 35 percent and 45 percent respectively. They can be issued up to 30 years.

We are looking at the traditional tax exempt bonds as well as the recent federal stimulus driven taxable bonds. There is a possibility that we utilize a mixture of the two for our bond issue.

