AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** Estabrooke 3rd and 4th Floor Renovation, UM

2. **INITIATED BY:** Norman L. Fournier, Chair

3. **BOARD INFORMATION:**

   **BOARD ACTION:** X

4. **BACKGROUND:**

   The University of Maine requests approval to expend up to $5,000,000 of Campus Auxiliary Reserves funds to renovate two floors in Estabrooke Hall for student housing.

   This request is pursuant to Board policy 701 which requires projects with a total cost of more than $500,000 to be considered by the Board of Trustees or its Finance, Facilities and Technology Committee. In this case, the request is to approve and to forward this matter to the consent agenda of the Board of Trustees. The estimated simple payback on this project is 5 years, based on the estimated $5 million cost and the anticipated $1 million annual increase in housing and dining revenue.

   The project includes the renovation of the 3rd and 4th floors of Estabrooke Hall for dormitory use, including residence rooms, bathrooms, lounges, common spaces and associated areas. This work will likely include remediation and replacement/renovation of flooring, ceilings, wall coverings, structural, HVAC, electrical, lighting, life safety, furniture, and ADA accommodations. The renovation of these spaces will address an identified need for additional upper class housing on campus.

   The university currently has a shortage of beds on campus given existing student demand. In the fall of 2014, the University was unable to accommodate approximately 185 requests for beds by upper-class students. The renovation of the two floors in Estabrooke will increase the University’s inventory by approximately 99 beds or 53 percent of this unmet demand. The proposed rooms will be premium single and semi-suite style. This represents an increase in the single room inventory of about 30 percent to 297 such rooms and will re-introduce 24 semi-suite style rooms to the inventory. The anticipated new revenue is over $1,000,000 in fiscal year 2016 for housing and dining combined.

   This project does not increase the amount of space at UM. Instead, it will reclaim currently unoccupied space and improve the Net Asset Value of the building. The estimated renovation age of the 3rd and 4th floors is nearly 64 years and the estimated net asset value stands at approximately 73 percent.
Estabrooke Hall was originally constructed in 1940 and had a substantial renovation of the 1st and 2nd floors completed in 2014. These spaces are occupied by the Honors College, Office of International Programs, the International Study Center, and RISE representing Education and General activities.

The 3rd and 4th floors of Estabrooke Hall were in service as a residence hall until 2012 and the proposed renovation will generally maintain the previous floor plan with minor modifications and improvements for code and updating purposes. When complete, Estabrooke Hall will be a mixed E&G and Auxiliary building, similar to the present conditions in Colvin Hall and Stodder Hall.

The proposed schedule for the project is to complete design during the fall and early winter of 2014 followed by construction from January 2015 to completion prior to the start of the fall 2015 semester.

5. **TEXT OF PROPOSED RESOLUTION:**

That the Finance, Facilities and Technology Committee forward this item to the Consent Agenda at the November 16-17, 2014, Board of Trustees meeting for approval of the following resolution:

That the Board of Trustees approves the expenditure of up to $5,000,000 from campus Auxiliary Reserves funds to renovate two dormitory floors in Estabrooke Hall.